Daily Report

Latin America

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Daily Report
Latin America

FBIS-LAT-94-192 *4 October 1994*

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NOTICE TO READERS: Effective 1 October, the processing indicators appearing in brackets at the start of each item in this publication have been changed. All new indicators begin with "FBIS" to make the material more easily identifiable. Some also indicate whether the item has been translated from the vernacular or transcribed from English.

An Ω indicates a Foreign Media Note.

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Uruguay Rejoins IAEA Board of Governors

PY3009225894 Montevideo EL OBSERVADOR ECONOMICO in Spanish 23 Sep 94 p 30

[Excerpts] The Vienna meeting of the International Atomic Energy Agency's (IAEA) General Conference yesterday chose Uruguay as a member of its board of governors.

The board of governors is the executive organ of the IAEA. It comprises 35 members, and it was decided yesterday to rotate 11 of them. Among the new members are Uruguay, Spain, Brazil, and Mexico. [passage omitted]

This is the third time Uruguay has joined the board of governors. The previous occasions were in 1980-1982 and 1990-1992. The Uruguayan delegation at the Vienna Conference comprises Uruguayan Ambassador to Austria Jose Lissidini and Julio Carlos Riet, the director of the Mines, Energy, and Industry Ministry National Technology Directorate. The government will designate a delegate to represent Uruguay on the board of governors.

The general conference meeting will end today. It approved the first international convention on nuclear security. The proposal was drafted by a group of experts who met during 1993 and 1994. The convention was first approved at the diplomatic level last June before being submitted for approval by the Conference in Vienna.

The convention compels members to comply with security measures in nuclear plants installed for civilian and peaceful purposes. It has already been signed by the United States, Russia, China, France, Great Britain, and Ukraine. [passage omitted]

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Central American Business Sector Objects to U.S. Stand

PA0110205794 Guatemala City PRENSA LIBRE in Spanish 29 Sep 94 p 108

[FBIS Translated Text] The Central American business sector expressed yesterday its confusion and anger vis-a-vis the position of the U.S. Government, which decided not to submit to Congress a bill to enable Central American textile products to enter the U.S. market under the same benefits available to Mexico and Canada.

The proposal, called Interim Trade Program for the Caribbean Basin, ITP (its English acronym), was an offer made by U.S. Vice Prsident Al Gore to the Central American presidents during a minisummit held in Tegucigalpa on 23 May.

As planned, the initiative should have been submitted yesterday to the U.S. Congress as part of the bill to sign the GATT.

"Noncompliance by the Clinton administration shows the lack of a clear trade policy toward countries in the area," Marco Vinicio Ruiz, president of the Costa Rican Union of Private Enterprise Chambers and Associations, UCCAEP.

He added that this "seriously harms our economies and sows uncertainty regarding investments."

Guatemala Awaits Approval of the Trade Program

Guatemalan Foreign Trade Minister Eduardo Gonzalez said that his country still hopes the said agreement will be approved by the U.S. Congress since the bills will be presumably sent again to the corresponding chambers. This time, however, the bills will be sent separately so that they are voted on individually.

Gonzalez noted that the Clinton administration decided to remove the bills from the fast track option, whereby the executive branch can negotiate an agreement without Congress making any changes to the text.

Costa Rica Not To Ratify Treaty With Colombia

PA0110210294 Panama City ACAN in Spanish 2201 GMT 29 Sep 94

[FBIS Translated Text] Managua, 29 Sep (ACAN-EFE)—Nicaraguan official sources reported today that Costa Rican President Jose Figueres gave Nicaragua "full guarantees" that the treaty signed between Costa Rica and Colombia in 1977 will not be ratified.

This afternoon, the Nicaraguan Foreign Ministry released a press bulletin noting that Figueres denied Colombian press reports on the alleged ratification of the treaty, which Nicaragua considers harmful to its sovereignty.

The source said today that Figueres denied in New York the reports published in the Colombian media on Tuesday. According to these reports, Costa Rica was to ratify the demarcation treaty signed in 1977.

"By apologizing," to Nicaragua through the media "for the Colombian media misinterpretation of his statements," Figueres "courageously" explained that the treaty, filed away at the Costa Rican Legislative Assembly, "merited no further action," the Nicaraguan Foreign Ministry added.

The source noted that the treaty signed between Costa Rica and Colombia is openly rejected by the Nicaraguan Government "because it violates the country's sovereignty in the Caribbean Sea."

The official note emphasized that Figueres "categorically denied the Colombian reports and fully assured the government of Violeta Chamorro that his country will not ratify the treaty in question."

The Nicaraguan Foreign Ministry interpreted Figueres' action "as a reaffirmation of the ties of friendship and solidarity between the two Central American sister nations."

On 14 September, the Nicaraguan Government reiterated that it will continue to fight peacefully to recover San Andres and Providencia islands, as well as other cays located in the Caribbean Sea.

On that occasion, acting Nicaraguan Foreign Minister Jose Pallais stressed that the government of Managua stated that "it is willing to reach a just, peaceful, and negotiated Latin American solution to its disagreement with Colombia."

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Cuba

Robaina Addresses UN General Assembly

PA0410034794 Havana Tele Rebelde Network in Spanish 0054 GMT 4 Oct 94

[Speech by Foreign Minister Roberto Robaina Gonzalez before the 49th session of the UN General Assembly in New York on 3 October—recorded]

[FBIS Translated Text] Mr. President: The military occupation of a small impoverished nation in the Caribbean is taking place as we give speeches here. The strange pact with the coupist generals, who were threatened assassins yesterday but complaisant partners today, ignores the decisions adopted by the international community and the will of the Haitian people.

The victims of this unfortunate episode include the essential principles of the UN Charter, even the authority of the UN Security Council and the United Nations, which have been completely disowned in actions that were, nevertheless, carried out while usurping its name.

History repeats itself. The cannons of the invaders and the boots of the foreign occupants installed the century's dictatorships in Haiti, and they trained and supported those who continue to tyrannize their people today. How can we trust democracy will come from them tomorrow?

Cuba has supported and sponsored at all times the efforts exerted to restore constitutional order in Haiti with the return of President Jean-Bertrand Aristide without conditions or restrictions, and Cuba rejects the attempts to resort to a foreign intervention as the way to settle the conflict. Cuba has denounced in due time the decision adopted by the UN Security Council to abet the violation of the UN Charter by any of its members and to join the interventionist plans. The actions have been carried out; thus, all we can do is repeat what our government has stated: Those who applaud the invasion today could be its victims tomorrow.

It is clear that the United Nations' manipulation is an essential factor of this drama. The organization was created based on the alleged sovereign equality of its members. Cuba reasserts its firm rejection of the attempts to unilaterally decide on issues that are vitally important to all the peoples and the abuse of the anachronistic veto privilege the UN Charter grants a group of states that has permanent membership on the Security Council.

It is urgently necessary to bring democracy to international relations and the United Nations. It is essential to respect and enforce respect for the UN Charter and to end its systematic violation by the most powerful. The democratization of the United Nations is imperative right now, because the organization's 50th anniversary will soon be commemorated. It is time the institution stopped protecting the interests of a handful of powers.

As you are very well aware, Mr. Chairman, as a son of the African continent and whose election as president honors all of us, Somalia is still fresh in our memory. The drama of hunger in that sister nation has continued, although television newscasts no longer show the scenes of horror that served as a prelude to the so-called humanitarian invasion that this organization supported.

Poverty in Haiti and Somalia will not end with these military interventions.

The woes in the Third World will not be resolved with military occupations, which only respond to selfish interests. In both cases, which have already become dangerous precedents, the Security Council acted under the pressure of a superpower that capitalized on the results of those actions, while the majority of members have not been allowed to state their positions. In both cases, under the alleged authority of the Security Council, essential principles of that body, such as neutrality and impartiality, were violated. These are examples of the illegitimate expansion of the Security Council to areas that are not in its competence, as the right to intervene under vague arguments of humanitarian protection or the capacity to delegate to one or several states the authority to unilaterally adopt punitive actions based on Chapter Seven of the Charter on Invasion, Occupation and Intervention Operations.

Certainly, the sovereignty, free determination, and political independence of many countries, particularly but not exclusively those of the Third World, are at stake. Behind the backs and at the expense of the suffering of many people, there are attempts to give the Security Council a carte blanche and a predominant role on topics not related to its mandate, with prerogatives unforeseen for this organization.

Undoubtedly, the specific functions of the Security Council should be carefully reviewed, and this branch must be democratized through a broader and more representative membership of Third World countries. Poor and small countries have a right to be present and to demand equitable and transparent procedures in carrying out its functions. Latin America, Africa, and developing Asia should have permanent members. We cannot only talk about super economic powers associated to the West. The Security Council cannot assume attributions that no one has given it or try to overule the organization that created it, to whom it should report. This Assembly must exercise its duty to control its actions and ensure that it respects the Charter.

There are other areas of the organization where the interests of developing nations require more answers. The crucial problems of their people are not and cannot be resolved with invasions or military operations described as humanitarian. They cannot be solved with emergency aid programs that are only aimed at mitigating the most alarming consequences of structural underdevelopment. Unless the international community, and this, its most representative organization,

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adopt timely measures and programs necessary to develop the Third World, we will soon be discussing here the causes and consequenes of the arrival of underdevelopment to the First World.

The growing concerns the immigration issue elicits in the industrialized nations do not fall short of being illustrative examples. The analyses of the recently concluded international population and development conference confirm this concept. It is evident that the cooperation concepts which are imposed from the North and which have advertising names that lack real meaning to solve poverty problems and which attempt to curtail the right of development the peoples are demanding have flourished.

Although such terms as sustainable development, human development, and sustainable human development could involve theoretically defensible ideals, they are being used, in practice, to erode the commitments made during years of efforts in the determination to make international developmental cooperation viable based on fair and democratic foundations. Unacceptable conditions and interference in states' domestic policies are imposed in this manner, and the strategic development priorities of poor yet sovereign and independent nations are trying to be imposed in this manner as well.

This is how the right to development as endorsed by this organization is subordinated to the interests of the major multinational economic powers, which, all things considered, continue to dictate the rules and practices of international economic relations.

We cannot and we must not allow a UN development program to be implemented by replacing the international development strategies and other significant instruments stemming from efforts made by developing countries in the defense of their interests and for which they have committed large amounts of flexibility and tolerance. In addition, we cannot allow the United Nations to impose the neoliberal economic models that trigger the backwardness and poverty faced by many millions of people in exchange for existing economic growths that benefit only elitist Third World minorities and their partners from the opulent North.

Cuba believes the main attention must be aimed at achieving an overall economic growth that will allow us to resolve pressing social needs fairly and equitably. It is essential to reorganize international economic relations based on an effective, fair, and egalitarian economic cooperation without discriminating against the southern countries. Poverty is not a preconceived fate, much less a human right, regardless of what the rich nations are doing to prove it.

As long as the universal respect for human rights does not do away with the manipulation of a handful of rich societies, the dispossessed, in the southern part of the planet, will continue to assume the role of the accused, and the possessors in the northern part of the world, will continue to act as prosecutors and judges.

The attempts to impose government systems, designed by the privileged of the First World, as universal dogmas, without taking into account the diverse socioeconomic, historical, and cultural realities of the Third World are now unacceptable and doomed to failure.

We also have to eradicate hypocrisy. It is unforgivable that we continue to be indolent to the tragedy suffered by humanity and that we concentrate on elitist concerns. All around us there is a proliferation of wars, xenophobia, and neo-fascism, perfidious ways to degrade women and children are increasing, unemployment is on the rise, nature is deteriorating, and the national cultures and entire nations are being demolished. Millions of human beings live in poverty, suffer hunger, do not have access to the minimal medical attention or to education. And, little, really very little, has been done by the United Nations to deal with those issues as clear human rights violations. The countries that are struggling with equity and justice to achieve development today are working in favor of their people's human rights. The countries that impede our development, violate the human rights of all our people.

Mr. President, recently, the Association of Caribbean States was formed as a way to respond to the globalization of the international economy and strengthen the cooperation between states, countries, and territories in this area of the world. We are Caribbean sea nations, aware that only with a very tight coordination of interests will we be able to become competitive markets. This new association, born of our urgent needs, contributes, together with the Ibero-American summits, to furthering the indispensable and necessary economic integration and to the joint study of strategies that are common to us, in a setting that unites us due to our history and culture.

Cuba, inserted in this community of Latin American and Caribbean nations to which it belongs by origin, has decided to opportunely subscribe to the Tlatelolco Treaty against the proliferation of nuclear weapons in our region. As is known, in the area of our territory illegally occupied by the United States and in neighboring Puerto Rico, warships that have nuclear weapons and combat means, are anchored. Without giving up our demands that the ships be withdrawn, we subscribe to the noble purposes of this agreement as a testimony of our will for Latin American and Caribbean integration, as a gesture toward our brothers in the region, and with the intention of expanding the mechanisms to achieve consensus and dialogue.

The Ibero-American summits, which have been held since 1991, have been the first time the Latin countries south of the Rio Bravo, have called themselves to a meeting to talk about issues of a common interest.

Meanwhile, another summit has been convoked—in Miami no less. All the American governments have been

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invited to it, except the country I represent. It is said this summit will cover three main issues: free trade, collective security, and the promotion of programs to attenuate extreme poverty. Thus, it will have to be judged which of the two Americas will benefit the most with this Miami meeting. Should the Miami meeting yield positive results for Latin Americans, Cuba would sincerely and honestly accept the meeting even if it did not attend it. It could be an excellent opportunity to demand from our northern neighbor a just treatment in commercial and financial relations and in the exchange of technology and that the United States honor its international cooperation commitments. It has yet to be seen how a government that cancels its meager regional aid programs can obtain the funds to palliate poverty in the countries that have been convoked.

Mr. President, A few words about my homeland. Twice the overwhelming majority of the members of this forum has demanded the need to lift the economic, trade, and financial blockade imposed by the U.S. Government on my country. Twice, the U.S. reply to this Assembly has been silence. It is not a matter, as some would like to envision it, of a victory of the blockaded nation and a defeat of the one doing the blockading. Among those who have voted to end this irrational siege are not only our friends or governments that endorse our policy 100 percent. The issue is simply that the majority of the world's countries are confronted with an action that has no legal justification, moral precept, or ethical basis that damages not only Cuba's sovereignty but the most basic principles of international coexistence. It is a policy prompting the rejection of any country that advocates the authority of the law and mutual respect in the relations between states.

In this complex and confused world, which pretends to be pluralistic, free, and democratic, the United States is trying to deny my country, Cuba, access to the place it deserves as a sovereign nation. It seems that a two-century-old past does not matter; even worse, it seems that the Cold War froze forever in that small sunny land, which is 90 miles away from the most powerful nation in the world, just because it wanted to be free and truly independent.

My fatherland, Mr. President, has been subjected to trials that could hardly have been endured by any country. With the disappearance of socialism in Europe, we were suddenly left without markets, sources of raw material, and financing. The process to overcome internal difficulties and to reform the economic and administrative structures conceived for a phase in our socialist project was further unsettled with the hardening of the policy of isolation and suffocation, stoically endured by our people for many years.

Amid this dangerous combination of elements and the predictions that Cuba would collapse, which have been occurring since 1989, my country has not and will not collapse. We have survived all types of strategies, from the ones of promoting terrorist and subversive actions from abroad to the ones of pressuring in many directions with the objective of hardening the blockade, which, as I said previously, this Assembly has rejected for two consecutive years.

This does not lessen the harsh and complex situation withstood by my people, whose proven patriotism and national dignity deserve that this world forum issue the most firm demand for justice and that it reject once more the long and cruel hostility to which they have been subjected.

The unequal struggle we have been compelled to wage for so many years has not mitigated our pursuit for peace. Cuba persists in its efforts to find negotiated solutions to its disputes with any country, provided it is done based on sovereign equality and one condition—mutual respect. This organization has ample evidence of this.

We are judicious and flexible people, who are civilized and loyal to accords that are adopted based on equality and sovereignty. A series of bilateral meetings that recently took place in New York led to partial solutions to the prolonged dispute between Cuba and the United States.

The spirit and respect that prevailed during those negotiations and the two parties' willingness to find solutions allowed the achievement of an agreement that is satisfactory to both sides. If the agreement is fully implemented, it will establish the groundwork to normalize migration relations between our two countries.

We want peace—peace with dignity—with all our neighbors. We will never negotiate the sovereignty, independence, and socialism we chose freely, just as we do not demand these types of concessions from any country.

We open ourselves to the world, more and more every day, without imposing conditions and without allowing anyone to impose conditions on us. A great power subjects us to a blockade; and it subjects its own people and the children of my people who live in its territory to the blockade, because they are deprived of the right to help, or meet again with, their relatives. Such cruelty has no equal in the history of large-scale human rights violations.

We beg for nothing because our national hero, Jose Marti—the anniversary of whose death while struggling for a true independence will reach the century mark next year—taught us that cowardice and indifference can never be the laws of mankind.

Through you, we ask the world—confident about its reply—if the sacrifice of a generous nation, which is being immolated because it is opening itself to the world, will be met with indifference or irreverence by the mankind for which this sacrifice is being done. Thank you. [applause]

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Cited on Immigration Talks

PA0410045494 Havana PRENSA LATINA in Spanish 0145 GMT 4 Oct 94

[FBIS Translated Text] United Nations, 3 Oct (PL)—Everything Cuba had to do based on the migration agreement signed in September has been strictly carried out, said Foreign Minister Roberto Robaina at the United Nations today.

Approached by the media following his address to the 49th UN General Assembly session, he added the same cannot be said, unfortunately, about the United States although there is still time, because the agreement will be analyzed 45 days after it was signed, in late October.

Washington claims the conditions are not given, he said. For example, a number of visas should have been granted by now, he said, but the process has yet to start with the quantity or the speed it should, although Cuba does not have to jump to conclusions.

Robaina said his presence here and his contacts with North American personalities are not related to the negotiation process or the United States but, rather, only to part of the country's society that is highly interested in what is happening in Cuba and Havana's interest in getting to know this society from within.

He added he still meets with representatives of the Cuban community abroad although they are not precisely the people with whom he met in Madrid, Spain.

The official said: They are essentially people who attended the conference on the nation and the immigrant community held in Havana earlier this year.

Asked about the absence of the U.S. representatives from the assembly hall when he gave his speech today, Robaina said he is not afraid or surprised, because it is not the first time such a thing has happened.

Referring to statements by OAS Secretary General Cesar Gaviria on Cuba's possible return to the organization, Robaina said for Cubans their return to the OAS is not a priority when it comes to their return to the Ibero-American or Latin American community.

We have a mechanism for consultations, meetings, commerce, and trade with Latin America that is much higher than when we belonged to the OAS, he said.

Nevertheless, he said, I believe Cuba has no need to jump to conclusions if the OAS eventually decides first to reach an internal agreement among its members, some of whom believe we should return while others believe provisions must be imposed for our return, as they would first have to reach an agreement and then tell us.

Referring to a journalist's comments on certain positive words in his speech concerning the Americas Summit in Miami, the foreign minister said his country wants good things not only for itself, and it has frequently proved to the world that if something is good for Latin America it is also good for Cuba, even if it is not present.

He immediately added: Simply put, I would rather not evaluate things before they happen. I wait until they happen, and then I evaluate them. It is not surprising, because that position was even explained in those terms, or similar terms, by our president, Fidel Castro, at the Ibero-American Summit in Cartagena.

Asked about the possibility that the Cuban issue will be discussed at the Miami meeting, Robaina said: "I believe if anyone wants to talk about Cuba, the most elemental thing is for anyone in the world who wants to do so deal with Cuba, not without it."

Ambassador to Colombia on Regional Prospects

FL0110181894 Havana Radio Rebelde Network in Spanish 2300 GMT 30 Sep 94

[From the "Exclusive" program]

[FBIS Translated Text] Cuban Ambassador to Colombia Jesus Martinez discussed various possibilities for cooperation between Cuba and the Province of Tolima during a visit with local officials, businessmen, and university officials. Cuban Embassy sources in Bogota reported that Martinez' visit is the most recent in a series of trips to Valle, Antioquia, Bolivar, Atlantico, San Andres, and Santander Departments to explore the possibilities of agreements with the different Colombian provinces in addition to national-level agreements.

During his visit, Martinez met with a group of more than 300 university professors, students, and workers and a group of more than 100 union leaders, political party leaders, and social organization representatives with whom he discussed the current situation in Cuba, and prospects.

Migrants Recount Experience at Guantanamo

PA0310130394 Havana PRENSA LATINA in Spanish 1924 GMT 1 Oct 94

[By Javier Rodriguez]

[FBIS Translated Text] Havana, 2 Oct [date as received] (PL)—A group of Cuban migrants who escaped from the camp at Guanatanamo Naval Base in the eastern part of the island have returned home to denounce the mistreatment they suffered at the U.S. military enclave.

Accompanied by local authorities, after crossing the dangerous mine fields surrounding the base and swimming across the bay that separates the U.S.-occupied territory from the rest of the country, the migrants also found assistance in rejoining society and their families.

Speaking with newsmen after an emotional return to their homes late at night, they gave countless examples of the difficult hours they experienced while facing a reality quite different from what many of them had imagined.

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Reinaldo Pena Alvarez, for example, who lives in Santiago de Las Vegas, recalled that even before completing the voyage that put him on a U.S. ship that later transferred him to Guantanamo, he already understood the error he had made and thought of returning home.

On expressing this desire, he said, I was handcuffed on board the ship. After I reached the base, they urged me to give up my wish, "because Fidel (Castro) would kill me or lock me up for eight years, according to the U.S. officials."

On the morning of 28 August, I tried to escape but was captured, handcuffed, and held in detention for three days along with three other Cubans. He said: From that point onward, they transferred us to another Marine prison with a very high fence, tight security, and menacing dogs.

Pena stated that for two days they went without food, and this prompted him and other prisoners to adopt a different attitude.

We apologized and said we did not want to return to Cuba. Then they returned us to the camp. We took advantage of the situation and four of us escaped, but two were captured. One was bound hand and foot and his head was shoved into a garbage disposal tank. The other was beaten with a nightstick.

Pena took to sea and managed to reach the other side where he received respectable treatment from Cuban Border Guards, whom he praised endlessly.

"I do not want to know anything about the United States, because I saw first-hand how they are, which is quite different from their propaganda," he said.

Jesus Vicente Darin's account was equally critical. He described himself as an economic migrant and tells of his experiences on the base.

He said: That is where the mistreatment began. They treated us like dogs, and I realized that this was not what I wanted. I never planned on going to prison. I only wanted to meet my relatives in the United States.

Darin explained that a lack of hygiene was apparent. There was no soap, medical attention was poor, and people went to the bathroom in the shower stalls. The disorganization only began there, and, ultimately, Cubans began to steal food, because they were hungry. There was a lot of dust, but the North Americans did not care.

Darin recalled how demonstrators who were carrying a slogan demanding liberty were beaten, how they ran through the mine fields to escape the guards pursuing them, and how Cuban sappers helped him get out.

We are not going to relive that adventure. There is nothing I want to look for over there, he said, referring to the United States.

For his part, Armando Miguel Vicente Perez was happy to return to Havana. He was accompanied by his mother, his wife, and a small six-year-old daughter who joined him in Guantanamo.

I signed up on all of the lists prepared by several priests, who were going around asking who wanted to return to Cuba. This was all a deceit, however, so I decided to escape, he said.

After being in prison for two days, Vicente went into the nearby jungle with U.S. security guards close on his heels. He managed to stay there an entire day, without water or food, until nightfall when he crossed the mine field.

Like other Cubans, he recalled with appreciation how the Cuban sappers got him out while risking their own lives—something that for him is an unforgettable experience.

I was born again and am going to start a new life. I now recognize my mistake and understand I had nothing to seek outside of my own country, he said.

Richard Almeida contended that the most important thing is to realize the lies contained in the propaganda about the goodness of their political system, which is deceiving and which I had turned to because I needed a solution to my economic problems.

There is no land like one's own, he said. This is demonstrated by the way the Cuban authorities treated me, which was quite different than what we experienced at the Guantanamo Base, he declared.

The first meeting with the press preceded other, equally moving meetings, following their return home after an adventure that could have ended in tragedy.

Emotion prevailed in the home of Fernando Mijail Nodarse in 10 de October Municipality while his mother, amid surprise and tears, embraced him emotionally, as did the rest of his family.

I always advised him and told him what the United States really was, Enma, his mother stated emotionally, with the authority of one who lived at the Guantanamo Base as a child.

When my mother died, she explained, an aunt who lived on the base took us there. I was only eight years old, but I witnessed the bad things and cruelty that prevailed there.

She added, nevertheless, that Fernando discounted her warnings and, in turn, he has endured the harsh experience which has shown him that he can live in dignity in his own homeland.

"They speak out about human rights, but they should erase those words from their dictionary, because they do not even know their meaning," her son added.

Another family meeting was held between Antonio Falcon and his family, which anxiously awaited him

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since learning from the Committees for the Defense of the Revolution of his stay in Guantanamo.

Embracing two young children enthralled by the moment, he said that since the first day of his stay at the naval base he realized the falseness of the promises, including the propaganda from abroad.

I preferred to risk my life rather than remain in that place. I have to express my appreciation to the Cuban sappers who took me out of the mine field, he said.

He concluded by saying: I feel quite frustrated regarding my previous thinking, which led me to flee Cuba. Now I only want to rejoin my family, society, and return to work in my country.

Fidel Castro Attends Convention Center Celebration

FL0110114394 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 1 Oct 94

[From the "NTV" newscast]

[FBIS Translated Text] Commander in Chief Fidel Castro participated in the main ceremony marking the Havana Convention Center's 15th anniversary on 30 September. Castro recalled some of the finer national and international events that have been held at the Convention Center out of the over 1,000 events that have been held there since it was opened for the sixth Nonaligned Movement summit in 1979. Hilda Prieto reports from the Convention Center:

[Begin recording] [Castro] No other building in Cuba has proved more useful or more productive, particularly in the economic sense. Felipe [not further identified] said that 400,000 people have visited; I get the impression that there have been more. It never ends, never. The center has an excellent staff, truly dedicated to the work they love. The center employs more than 100 people. I am not exaggerating when I say that it is a model institution and that it has served everyone. The quality of the service is extraordinary; we have never heard any complaints. Maintenance is excellent; some of the money the center collects through international events goes toward maintenance, some toward national events. You can best sum up the work that has been put into the center by saying: Anyone visiting the center would think it was opening day.

[Prieto] The ceremony honored the 117 founders, with special mention going to Celia Sanchez Mandulei, the heart and soul of the Convention Center. Castro said that she would have been proud had she seen it today. He also praised the workers, calling on them to continue their efforts and to show as much dedication as Celia, whose memory will live in the center forever. He added:

[Castro] I believe it is an honor and a glory to you all and the Revolution. It is also encouraging to see that we can count so many noble, dedicated, and good people among us. Some count the traitors and deserters, but I generally count the people who stick with the Revolution. I count the loyal people. [applause]

[Prieto] Following his encouraging words to Convention Center workers on the 15th anniversary, Castro gave them a picture of Cuban painter (Flora Font).

[Castro] I must say [words indistinct].

[Convention Center Director Abraham Maci] We will put it in the lobby so that all the visitors can see. The importance to us is not in its value—of course, we appreciate the artistic value—but in your gesture of giving us such a present. [applause]

[Prieto] Convention Center Director Abraham Maci gave the commander in chief his founder's diploma. [end recording]

Union Congress Approves Pro-Government Draft Document

FL0110145794 Havana Radio Progreso Network in Spanish 1000 GMT 1 Oct 94

[From the "First Thing" program]

[FBIS Translated Text] The Fourth Congress of the Merchant Fleet, Ports, and Fishing Workers Union today approved a draft of principles in support of the Cuban state, condemning the inhumane U.S. blockade of Cuba, and the illegal occupation of a portion of Cuban territory. In the document, the workers even advocate dismissing from this sector people whose conduct is contrary to the principles of the Revolution.

The five congress commissions meeting throughout Havana focused on union aspects of national issues. The commissions discussed special resolutions on economic efficiency, work and salary organization, workers' welfare and incentives, support for the National Association of Innovators and Efficiency Experts movement, as well as union operations.

Ministers To Attend Artistic Council Meetings

FL0110113994 Havana Radio Rebelde Network in Spanish 1700 GMT 30 Sep 94

[From the "National Radio News"]

[FBIS Translated Text] The national council of the National Union of Cuban Writers and Artists [UNEAC] is meeting today, with the participation of Finance Minister Jose Luis Rodriguez, Culture Minister Armando Hart Davalos, and Vice Foreign Minister Isabel Allende. A total of 75 writers and artists on the council will discuss culture and tourism, two areas that institution recently prioritized in its work. The report delivered yesterday on the UNEAC's work since its fifth congress included important suggestions on how to

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impove union work with limited resources. Participatants will attend the premier of the film "Derecho de Asilo," produced by Cuban producer Octavio Portasa, at the end of today's sessions.

Civil Engineer Elected Camaguey Assembly President

FL0110031194 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 1 Oct 94

[From the "NTV" newscast]

[FBIS Translated Text] Bernardo Nieves Vega, a civil engineer, was elected president of the People's Government Provincial Assembly in Camaguey Province on 30 September. Nieves replaces Evis Blas Gonzalez, who has been reassigned to another post. The new president is a Party member in the province and was chief of the Camilo Cienfuegos contingent, which built the longest causeway in Cuba—between Jaguey and Cayo Romano, Cayo Cruz.

Tourism Expected To Generate $900 Million in 1994

PA3009231494 Havana PRENSA LATINA in Spanish 0224 GMT 28 Sep 94

[FBIS Translated Text] Varadero, Cuba, 27 Sep (PL)—Tourist Minister Osmany Cienfuegos announced here today during the inauguration of the Coral Hotel, owned by the Gaviota Corporation, that tourism will inject $900 million into the Cuban economy in 1994.

Cienfuegos said the income will be collected thanks to the arrival of some 700,000 vacationers on the island. He added that between January and August, tourism in the country increased 24.5 percent compared to the same period last year.

There was a noticeable increase in the number of tourists arriving from Europe (45 percent) during the first eight months of 1994, most of them coming from Switzerland, France, and the United Kingdom, the minister reported in brief statements to the media.

Cienfuegos and other high-ranking executives of the Cuban tourist sector participated in the official inauguration of the Coral Hotel, the Gaviota Group's largest facility so far and the fourth in the Varadero Azul complex, built on a reserved area 140 km east of Havana.

The four-star, 260-room building with 24 interconnected rooms was built at a cost of 25 million pesos (equal to dollars at the official exchange rate) and covers 4.24 hectares.

In his welcoming remarks, Gaviota Corporation President Tomas Benitez announced the beginning of negotiations with foreign hotel chains to sign a management contract for Coral and said that beginning in October, the Spanish Sol-Melia Group will take over the administration and commercialization of the Rio de Luna and Rio de Mares Hotels in Holguin Province in northeastern Cuba.

He also added that four more Gaviota properties (Caribe, Caracol, Villa Caleta, and Caney Hotels) will be operated exclusively by Italian tour operators during the next winter season.

The new Coral Hotel opened on 4 August, and according to General Manager Abel Perez Coca, the hotel has been well accepted by tourists, who are mostly from Italy, Spain, and Mexico.

We expect a very good winter season, he said, especially with Canadian and German vacationers. Fortunately, the latter market is beginning to recover.

Western Army Unit Repairing Hospital Vehicles

FL0110173594 Havana Radio Reloj Network in Spanish 1401 GMT 1 Oct 94

[FBIS Translated Text] The Western Army is lending a hand to a Havana hospital. Repairs at the car pool of Commander Manuel Fajardo Hospital in Havana are being augmented by the Western Army in an effort to improve medical service to the public. Lieutenant Colonel Humberto Navarro, chief of the Western Army Repairs Regiment, said that a dozen vehicles are being reconditioned, including ambulances, trucks, omnibuses and other light vehicles.

Maria del Carmen Alonzo, secretary general of the workers union at this military unit, stressed that contributing to health services was discussed and approved during the unit's economic efficiency assemblies. The Western Army Repairs Regiment, the best of its kind in the Revolutionary Armed Forces in 1993 and the first half of 1994, is also helping to repair rice combines and equipment at the Manuel Martinez Prieto Complex.

Transportation Minister: 'Many, Many, Many Problems'

FL0110160094 Havana Radio Rebelde Network in Spanish 1155 GMT 1 Oct 94

[Report by Jose Artiaga; from the "Doing Radio" program]

[FBIS Translated Text] The Fifth Transportation Workers Congress has ended. Following is a significant portion of the closing address by Transportation Minister Senen Casas Regueiro regarding future plans for transportation in Cuba:

[Begin Casas Regueiro recording] Comrades, it is important not to give the impression, not to fall into the trap, not to fall in any way for triumphalistic measures. As soon as triumphalism rears its ugly head, we must struggle to avoid that pitfall because transportation is not an insignificant service; transportation is one of the

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services that frustrates the people most; and if we claim that we are going to do something, we must do it. As a matter of policy, you all know—it has been said many times to the provincial centers and the leaders—that in transportation, it serves no purpose to write volumes. We must act. It is just like the corner stores; what good is it to say we are going to transport vegetables if the shelves remain empty? What we have to do is deliver the vegetables to the corner stores. The people say good things about the buses when there are buses. When there are no buses, there are no [word indistinct]. There are some things on which we do not have to waste paper to explain them to the people.

I think we should think very hard before we allude to something that might make the people believe the situation is finally resolved. It is not resolved; there is no chance. Not only do we lack materials, but we do not have the organizational capability. The nationwide level of labor indiscipline does not help us either. Therefore, we have many, many, many problems.

Now I am asking you, as I have asked all of you many times before, to carefully consider each and every one of the steps we are going to take. We are pleased with the efforts being made in every province, some more than others. We are all doing our utmost to solve problems, to figure things out. However, we are still far from attaining our goals. I believe that our set goal, to bring transportation back to 1991 levels by 1996, is a difficult goal. [end recording]

Transportation Minister Backs 'Yellows'

FL0210190694 Havana Radio Rebelde Network in Spanish 1700 GMT 1 Oct 94

[Report by Jose Artiaga; from the "National Radio News"]

[FBIS Translated Text] The current situation of the public transportation inspectors—popularly called Yellows—was evaluated in the last session of the Fifth Transportation Workers Congress that just concluded in Havana. We feel that in view of the problems in the mass transportation system, it is extremely important to maintain this corps that endeavors to facilitate passenger transportation. In an open dialogue with delegates of the transportation sector, Transportation Minister Senen Casas Regueiro exhorted state drivers to support the inspectors and insisted on discipline at this crucial time.

[Begin Casas Regueiro recording] Transportation inspectors: Why do we need inspectors to stop state vehicles? Because we have not been ideologically capable of convincing those drivers to stop and pick people up. Hence, the inspector. We had to think things through on what to do with these inspectors and assign them where they are needed—the way you said it: without demagogy, free of politics or anything else. Assign them where they are essential, and remove them where they are not. [end recording]

Cadres' Role in 'Special Period' Highlighted

FL0310181194 Havana Radio Progreso Network in Spanish 1100 GMT 3 Oct 94

[Editorial appearing in TRABAJADORES on 3 October; from the "First Thing" program]

[FBIS Translated Text] There was a time, at the beginning of the special period, when it seemed that the problems involving the cadres' capacity of direction and organization, mentality, and political and human sensibility had taken second or third place due to the overwhelming weight of the objective and material factors that determined the profound economic crisis in which the country was inevitably heading toward. Nevertheless, these past years have taught us that this was not so and that in these difficult and hard times the revolutionary cadres' role became ever more important.

Of course, it is not a matter of the leaders, with their will and tenacity, modifying a situation that emerged when the country lost its markets and economic relations and saw itself without $6 billion annually, which represented fuel, food, raw material, equipment, and all kinds of parts. That is a reality we must never forget. Neither can they make the cruel Yankee blockade disappear, which was intensified by the Torricelli Law and the latest measures of the current administration, with which the U.S. Government punishes the independence, dignity, and the Cuban people's right to decide their own way of life.

What is it all about?

First, that the higher leaders of the party and the state play a key role in searching for and carrying out the economic strategy that allows the country to readapt to and overcome the new circumstances. This intense effort can be seen today. With realism and firmness we discover the paths to avoid the dangers and preserve the work and the principles of the society we have created. Decisions like that of creating the farmers market, to cite a recent example, exemplify the sensibility with which the country's leadership is determined to find a solution to our people's needs.

Second, in addition to the tasks that correspond to the general staff of the Revolution is the role of the tens of thousands of cadres who occupy responsibilities throughout the economic, political, and social structure of the country, including, among these, of course, those who have been elected to positions in the labor union movement. Without the attitude that is expected from them and without the change in mentality and focus that corresponds to the changes our society is forced to make, all the efforts of Fidel and Raul, of our Politburo and government, and, in our case, of the leadership of the Cuban Workers Federation, would not be enough to bring us to safe port.

Now, more than ever, we are in need of disciplined, audacious, creative, and independent cadres capable of

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translating the general policies of the country to the concrete conditions in which these should be applied in each place. The moral example, the dedication, and the sense of political responsibility to the collective it leads and to the community must be irreproachable. In the same manner, the methods and styles of leadership that are being fostered are that of collective work, honesty, sincerity, and capacity of agglutinating and stimulating all forces to benefit the goals that we must reach.

In the past, the abundance of resources and certain methods were used to cover up certain bureaucratic vices, such as inertia, favoritism, or the tendency to delegate all the work, to not have to confront any problems and face up to the base organizations. There is no longer space for these phenomena. There is no more space for cadres incapable of reacting or who are simply burnt out. With much reason, it has been said that anyone who cannot meet the demands of the moment should be replaced without delay. The attitude of the cadres is not to simply work hard but to work well, with intelligence, with far-sightedness, and above all being capable of producing concrete results.

The cadres are now being put through the test of fire to determine whether, above any personal interests, they can work to discover and bring to light the problems and deficiencies that exist in their areas of responsibility as a step for their elimination, or whether they will continue in a position of [word indistinct] the difficulties, of hiding and ignoring them, and presenting a sweetened and complacent view of reality.

The revolutionary cadres test their stature in face of the real difficulties that are hitting us. They seek alternatives [words indistinct] and eradicate the subjective weaknesses that often hide behind the lack of resources or if they give up, and seek refuge in any kind of justifications, instead. These tendencies of [word indistinct], triumphalism, of showing only the positive side of things, of justifying the failures and delays in production are still a serious problem. They have taken root, and we will have to work hard to eradicate them.

At times, some talk about a concern for the country's prestige or about not wanting to weigh the top leaders of the Revolution with worries as a pretext. These are part of the lies that Raul has asked us to root out, of establishing from top to bottom a style that is demanding and irreconcilable with such practices. That is today's key task for the labor union movement.

Finally, the cadres are responsible for the country's survival and making sure that we overcome this exceptional test that history has imposed on us. It depends on them for the country and the people to have a future and this also is of the highest importance. The most difficult wounds to heal, which have been inflicted by the special period, are not the economic wounds. These can be overcome with more work and with a correct strategy of resistance like the one we are currently applying. The most painful sequels are in the decomposition of labor and social discipline, in the breaking of the norms of coexistence, in the loss of civic education, order, and ethics, which are vital for a people who broke the chains of alienation and need.

The role of the labor union cadres, together with all the leaders of the country, is to work from this point, from the depths of the special period, to overcome the economic crisis step by step by introducing the changes that are necessary so that we can maintain the values of a society that is united and hard working. We have an extraordinary people. To lead them is to educate them. It is to elevate their culture, their awareness, and their habits. Its fulfillment depends on the attitude of the cadres.

Roundup of Economic Developments

PA2709194594

[FBIS Editorial Report] The following is a compilation of reports on economic developments in Cuba monitored through 29 September.

Participants at the sixth meeting of tobacco distributors have highlighted the promising outlook for tobacco production in Cuba. Participants confirmed the progressive recovery of Cuban tobacco production. The manager of a local cigar-manufacturing company said that, by year's end, exports are expected to increase by more than 15 percent over 1993 levels. When discussing tariffs on tobacco exports to the EC, the official said that although this policy favors competitors from the Dominican Republic and Jamaica, it has not adversely affected the sale of Cuban tobacco. (Havana Radio Havana Cuba in Spanish 1300 GMT 21 Sep 94)

Nearly 70,000 Spanish tourists will have visited Cuba by year's end. Tour operators and Cuban travel enterprise representatives in Madrid report that over 34,000 Spanish tourists traveled to Cuba from January to July 1994, 8,000 more than during the same period last year. The majority of Spanish tourists chose the facilities at Playas del Este, Havana City, among which is the Itabo Hotel. The Itabo Hotel, along with six other hotels at Playas del Este, belongs to Cadena Horizonte. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 26 Sep 94)

The Blas Roca Calderio construction contingent has celebrated its seventh anniversary with over 100 completed projects and a reduction in costs. The revenues accrued during the first months of 1994 totalled 6.2 billion pesos, due to high efficiency. The contingent will complete a spirulina production plant, a brick factory, and the Las Praderas Hotel by year's end. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 22 Sep 94)

The Santiago Hotel, in Las Tunas Province, has earned over 1 million pesos in revenues—twice the 1994 goal—

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for the first time, primarily due to improved efficiency. (Havana Radio Reloj Network in Spanish 1930 GMT 21 Sep 94)

The Cuban tobacco industry must meet 90 percent of its sales to exclusive cigar distributors by year's end. The goal is to deliver $65 million in revenue from the sale of cigars. The estimated revenue for 1994 is approximately $65 million. (Havana Radio Rebelde Network in Spanish 2300 GMT 20 Sep 94)

Cubanacan Hotels, in Granma Province, have hosted foreign tourists in the summer for the first time. The Hotel Farallon del Caribe has earned over $3 million since January, exceeding the profits of the same period in 1993. (Havana Radio Rebelde Network in Spanish 2300 GMT 20 Sep 94)

The Construction Ministry reduced its losses by 4 million pesos through August 1994, compared to the same period in 1993. Profit goals for 1995 and the welfare of workers—particularly, the need to improve workers' cafeterias—were discussed during the sixth congress of the construction sector. (Havana Radio Reloj Network in Spanish 1950 GMT 26 Sep 94)

Cuban Workers Federation officers in Matanzas Province will organize approximately 8,200 manual cane cutters into 170 brigades to participate in the 1994 sugarcane harvest, four times more cane cutters than participated in the 1993 sugarcane harvest. (Havana Radio Reloj Network in Spanish 1944 GMT 27 Sep 94)

Cuban Workers Federation officers in Ciego de Avila Province will organize approximately 2,000 manual cane cutters into 42 brigades within the Columna Jesus Suarez Gayol work contingent to participate in the 1994 sugarcane harvest. (Havana Radio Reloj Network in Spanish 1949 GMT 27 Sep 94)

The blood bank in Las Tunas Province has produced over 1,500 liters of frozen plasma, a 57-percent increase in the blood bank's annual goal. The production of red cell concentrates has surpassed production estimates, with nearly 3,000 liters having been produced. The production of antihemophiliac globulin and platelet concentrates have also surpassed production estimates by four and 18 percent, respectively. (Havana Radio Reloj Network in Spanish 1957 GMT 27 Sep 94)

The yield during the 1994 rice harvest has been over 1,000 quintales per caballeria in all producing regions except Granma Province, with many provinces exceeding this amount. The results are "very satisfactory," and Granma has the potential and natural resources to achieve and surpass the national average of 1,040 quintales per caballeria. Results of the spring plan are "good," even though production needs to be increased to meet the rice quota guaranteed for every one. Cuba needs to spend $90 million in 1994 to provide the 450,000 quintales of rice required to meet the quota. Yet, the rice plan is "headed in the right direction," and the creation of farmers markets will help increase the supply. (Havana Radio Rebelde Network in Spanish 2300 GMT 26 Sep 94)

More than 900 caballerias of unused or idle land has been distributed among 2,500 families throughout Cuba for the production of tobacco and other goods. Orlando Lugo Fonte, president of the National Association of Small Farmers, said that this process will help the national economy. (Havana Radio Progreso Network in Spanish 1100 GMT 27 Sep 94)

The Gaviota Group has opened the four-star Coral Hotel in Varadero, Matanzas Province. Construction cost 25 million pesos. (Havana Radio Reloj Network in Spanish 1948 GMT 28 Sep 94)

Cubanacan tourism workers in Santiago de Cuba have donated over $18,000 in tips to the public health sector. The money will be used mostly to buy medicine for cancer patients. (Havana Radio Reloj Network in Spanish 1942 GMT 28 Sep 94)

The Transporte Occidente military industrial enterprise makes safety deposit boxes for three-, four-, and five-star hotels in Cuba. Director Colonel Angel Ramirez Fernandez said that although 1,100 safety deposit boxes were produced in 1993, 1,200 safety deposit boxes have already been produced in 1994. Enterprise profits total 500,000 pesos. With the enterprise producing so many boxes, there is no longer a need to import safety deposit boxes. (Havana Radio Rebelde Network in Spanish 1700 GMT 28 Sep 94)

The first section of the Matanzas Bay causeway has opened. The 1.3 kilometer section of new road and two parallel bridges, 160 meters in length, will facilitate the trip from Havana to Matanzas. The Cuarto Congreso del Partido construction contingent is responsible for constructing this new road. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 29 Sep 94)

Over 455,000 tourists have visited Cuba in the first eight months of 1994, an increase of 24 percent compared to the same period last year. The tourists come mainly from Canada, Italy, Germany, Spain, Mexico, and Argentina. There are 21,800 rooms in the tourist industry; currently, 41 airlines fly to Cuba. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 29 Sep 94)

The Hector Molina sugarcane complex, in San Nicolas Municipality, Havana Province, is under repair. The repairs are taking place in the production department and the vapor generation area. They hope to improve the complex's sugar producing capacity. (Havana Radio Reloj Network in Spanish 1937 GMT 29 Sep 94)

Roundup of Politburo Members' Activities

FL3009013894

[FBIS Editorial Report] The following is a compilation of reports on the activities of members of the Politburo

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of the Cuban Communist Party Central Committee monitored through 29 September.

Ricardo Alarcon has attended ceremonies marking the 126th anniversary of Puerto Rico's struggle for independence from Spain. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 25 Sep 94)

General Leopoldo Cintra Frias has attended ceremonies during which the Juan Ramon Milian industrial contingent was awarded the Banner of Second Phase of Defensive Readiness. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 25 Sep 94)

Nelson Torres and Pedro Ross Leal have attended the extended session of the Cuban Workers Federation's national secretariat. Torres stressed the importance of increasing efficiency in the upcoming harvest and of coordinating efforts in each of the sugar mills. (Havana Radio Progreso Network in Spanish 1100 GMT 27 Sep 94)

Esteban Lazo Hernandez has underscored the importance of repairing leaks in the Havana City waterworks. (Havana Radio Progreso Network in Spanish 1100 GMT 27 Sep 94)

Alfredo Jordan Davila and Carlos Lage Morales have met several leaders and officials from the agricultural and farmers market sector at the Guira de Melena miscellaneous crops enterprise, in Havana Province. The Politburo members discussed implementation of Decree 191, the opening of the farmers markets on 1 October, and preparations for the winter planting campaign in Guira de Melena. (Havana Radio Rebelde Network in Spanish 1700 GMT 28 Sep 94)

Esteban Lazo attended ceremonies marking the 34th anniversary of the Committees for the Defense of the Revolution (CDR) in Havana City on 28 September. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 29 Sep 94)

Ricardo Alarcon has met a delegation of U.S. pastors at the National Assembly of the People's Government. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 29 Sep 94)

Alfredo Hondal has attended ceremonies marking the CDR's 34th anniversary in Ciego de Avila Province. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 29 Sep 94)

Carlos Lage and Abel Prieto attended a ceremony during which the National Merit Order of the Republic of Colombia was bestowed on Havana historian Eusebio Leal for his contribution to Latin America's integration and to the development of bilateral relations. The medal was presented by Colombian Ambassador to Cuba Ricardo Santamaria. (Havana Radio Rebelde Network in Spanish 2300 GMT 28 Sep 94)

Maria de Los Angeles Garcia and Abel Prieto chaired the extended session of the National Union of Cuban Writers and Artists in Havana's Fine Arts Museum on 29 September. (Havana Radio Rebelde Network in Spanish 1700 GMT 29 Sep 94)

Inter-Caribbean Affairs

Caricom Troops Depart Puerto Rico for Haiti

FL0310122994 Nassau Bahamas Radio Network in English 1130 GMT 3 Oct 94

[FBIS Transcribed Text] An advance party of some 40 troops from the Caribbean Community [Caricom] battalion left Camp Santiago, in Puerto Rico, yesterday afternoon. They are bound for Haiti. No Bahamian Defense Force officers are among the troops heading to Haiti at this time. A total of 35 Defense Force officers left Nassau on Friday, 16 September, to begin training exercises along with the Caricom community battalion in preparation for peacekeeping efforts in Haiti. The Caricom battalion is under the command of Lieutenant Colonel Linton Graham.

It was announced yesterday that the advance party from the Caribbean Community battalion include troops from Antigua and Barbuda, Barbados, Belize, Jamaica, and Trinidad and Tobago. Troops from the Bahamas and Guyana are not a part of the advanced party since the governments of these two nations did not give approval for deployment of their troops to Haiti. It was also reported that the government of Trinidad and Tobago gave approval on Saturday for the deployment of Trinidadian soldiers. The governments of the Bahamas and Guyana want their troops to go to Haiti only after exiled Haitian President Jean-Bertrand Aristide returns to Haiti. A second batch of Caricom troops, to include all but 35 Bahamians and 40 Guyanese, was expected to leave Camp Santiago today for Haiti.

A senior U.S. State Department official reportedly told CANA that American officials are in touch with Caricom Chairman Prime Minister Owen Arthur, of Barbados, as well as with Guyana President Mr. Cheddi Jagan and Bahamas Prime Minister the Right Honorable Hubert Ingraham. The official was quoted as saying that the entire Caricom battalion is greatly needed in Haiti.

U.S. Rear Admiral Tom Adams, commander of Special Operations Atlantic, described the Caricom battalion as a fine force. He added that Caricom troops will be exposed to the same levels of risk as their American counterparts.

Haiti

U.S. Military Arrests 2 Cedras Bodyguards

FL0310173094 Port-au-Prince Signal FM Radio in Creole 1200 GMT 3 Oct 94

[FBIS Translated Text] AFP reports that the U.S. military arrested several close friends of General Raoul Cedras, chief of the Haitian Army, in Port-au-Prince on

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the afternoon of 2 October, including Romeo Allou and Jerry Mourra. The U.S. military surrounded Mourra's house, blocking the road with jeeps armed with machine guns and Sheridan armored vehicles. The same source reports that two of the Mourra brothers were also arrested.

Uncomfirmed reports indicate that all of them hold U.S. passports.

They were taken to a U.S. Navy ship anchored in Port-au-Prince harbor. Allou and Mourra, considered close friends of Gen. Cedras, are in charge of the general's personal safety.

Members of the small unit in charge of the general's safety are called ninjas because of their black uniforms and hoods. The last time they publicly appeared in the streets was during Gen. Cedras's official visit to Leogane, 30 km southwest of Port-au-Prince, and during the training sessions for armed civilians ready to fight with the Haitian Army in case of a U.S. invasion.

The same source reports that U.S. soldiers broke into a Public Health Ministry annex in Delmas 33, on the east end of the capital. We still do not know why they broke into the Public Health Ministry in Delmas.

U.S. Commander Cited on Arrest

FL0310152794 Port-au-Prince Radio Metropole in French 1400 GMT 3 Oct 94

[FBIS Translated Text] General Hugh Shelton, commander of the U.S. troops in Haiti, has confirmed that four of Gen. Cedras's bodyguards—known as ninjas—were arrested over the weekend for carrying weapons illegally and dealing in arms. Gen. Shelton noted that the bodyguards are in U.S. custody and will be handed over to the legitimate authorities once they return to power.

Francois Reportedly Departs Following Threats

FL0410131894 Port-au-Prince Tropic FM in French 1300 GMT 4 Oct 94

[FBIS Translated Text] We have learned from a reliable source that Lieutenant Colonel Joseph Michel Francois, head of the Port-au-Prince police, has allegedly left his post and the country to take refuge in the Dominican Republic. Francois allegedly made the decision after some of his men insulted and threatened him. They burned their uniforms at Port-au-Prince police general headquarters. The policemen feel that U.S. forces have humiliated them. A member of the Army's high general staff who was contacted on the police chief's departure for the Dominican Republic and who wished to remain anonymous said: That is possible.

FRAPH Members Arrested; Constant Reacts

FL0310224994 Port-au-Prince Tropic FM in French 1600 GMT 3 Oct 94

[Report by Gary Belizaire; broadcast in progress—recorded]

[FBIS Translated Excerpt] On 3 October, U.S. soldiers invaded FRAPH headquarters where they made about 50 arrests. The U.S. military arrested several dozen men, including 16 Haitian policemen, and four women, who were on the site at the time of this intervention. All the arrested persons were handcuffed. Some wore sacks over their heads while leaving the FRAPH premises. One of the arrested persons was identified as Georges Menard, an attache linked to the Haitian police and Army. Let us listen to an explanation by Gary Belizaire.

[Belizaire, in Creole] [Word indistinct] civilians and 10 military were the result of a roundup by U.S. military police [MP's] at FRAPH headquarters. We are providing descriptions of these 10 military. Among them are... [pauses] policemen who include one lieutenant, two sergeants, two corporals named Lyonel Exantus and Dorce, one acting corporal, two privates, and one quartermaster sergeant. I should tell you that they also arrested 28 civilians during this roundup. [passage omitted]

Now for an idea of the number of weapons found on the FRAPH premises. [Words indistinct] guns and 10 semiautomatics. [passage omitted] [end recording]

It should be pointed out that 300 MP's and over 30 tanks and military vehicles are occupying the area of the operation called, Disarming FRAPH Members. The radio station Celeste FM [reputed to have ties to FRAPH] in Rue de la Reunion is also occupied by the MP's. The onlookers, gathered in the area of Rue du Champ-de-Mars, are earnestly asking the U.S. military to arrest Emmanuel Constant and Louis Jodel Chambelain, the two principal leaders of the neo- Duvalierist front. Let us listen to the reactions of Constant, who was contacted by Tropic FM five minutes ago.

[Constant] [Words indistinct] can be surrounded. [Words indistinct] political parties. I hope they are not going to do that in all the offices, in all political parties in Haiti because it would then be a violation of human and political rights. For the time being, I do not understand, I am seeking details. I have heard that arrests were made.

[Belizaire] Demonstrators, gathered in the area surrounding FRAPH premises, are demanding the arrest of Chambelain, and your arrest as well. What do you have to say?

[Constant] If there is a population trying to... [pauses] demonstrating to that end, I do not understand why, because I have absolutely no reason to reproach myself. Everybody knows that we in FRAPH have always militated in favor of what is going on right now, an honorable way out of the crisis. So if there is a formal complaint, we are not going to practice anarchy as in the past. That is why we have been experiencing these three years of embargo and why the people have suffered for these three years—exactly because of the question of anarchy and disorder in Haiti. For the past three years, we had congenial cohabitation. In the past, despite all of the

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FRAPH demonstrations, it was never a question of violence, looting, and so on. So I believe that if there is a formal complaint against me, I am ready for the Haitian Department of Justice. [end recording]

U.S. Seizes Control of Ouanaminthe Border Garrison

FL0310213494 Port-au-Prince Radio Metropole in French 1600 GMT 3 Oct 94

[FBIS Translated Text] On 1 October, U.S. troops took control of Haitian military installations in the border town of Ouanaminthe, including heavy weapons stored in the Oaunaminthe Barracks, one of the country's most important military garrisons containing a tactical unit. The Ouanaminthe Garrison has always been important and well armed, based on its border status and the historic antagonism between Haiti and the Dominican Republic, which share the island of Hispaniola.

Radio Reports U.S. Military's 1 Oct Searches

FL0310160994 Port-au-Prince Signal FM Radio in French 1030 GMT 3 Oct 94

[FBIS Translated Text] Reliable sources report that the U.S. military searched portions of Port-au-Prince on the afternoon of 1 October, following the arrest of five armed individuals on 30 September.

A detachment of the U.S. 10th Mountain Division sealed off Le Voyageur Hotel, in downtown Port-au-Prince, at the beginning of the week. The soldiers used a ladder to enter the hotel and left with plastic bags filled with documents, saying only that they were conducting a safety mission. This is the first time that the U.S. military has carried out such a search.

AFP reports that the searches are connected to the U.S. military's arrest of five individuals riding through downtown Port-au-Prince in a jeep containing weapons, ammunition, and grenades on 30 September. Sources report that one of those arrested is Gros Fauyo. A U.S. military spokesman confirmed for AFP that the U.S. Army had detained five people but did not reveal their identities or the reasons for their detention.

The Marines questioned and accused Captain Evens Scott during the searches. A U.S. sergeant returned the captain's sidearm and saluted the Haitian officer, who is an army doctor.

U.S. Delegation Assured Cedras, Biamby To Step Down

FL0310233294 Port-au-Prince Radio Metropole in French 1600 GMT 3 Oct 94

[FBIS Translated Text] During a meeting with a delegation of six U.S. senators on 1 October, the top two in command of the Haitian Army, Commander in Chief General Cedras, and chief of the High Command, General Philippe Biamby, reasserted their intention to respect their commitment to leave power by 15 October.

Senator Christopher Dodd, president of the Senate Subcommittee for Western Hemispheric Affairs, said at the end of the meeting that Gen. Cedras was totally categorical, that there was no doubt or hesitation in his words.

According to Sen. John Warner, General Biamby attended the meeting and also indicated that he would respect his commitment to step down before 15 October.

Gen. Cedras asserted that Port-au-Prince Police Chief Joseph Michel Francois would also abide by the terms of the agreement made with a delegation led by former U.S. Democratic President Jimmy Carter.

The U.S. Senate delegation, whose visit to Port-au-Prince over the weekend lasted six hours, also met with U.S. troop commander in Haiti, Gen. Hugh Shelton, and Robert Malval, resigning prime minister of the Aristide government.

Mirebalais, Saint-Marc 'Warmly' Greet Arriving Troops

FL0410000694 Port-au-Prince Radio Metropole in French 1600 GMT 3 Oct 94

[FBIS Translated Excerpt] A first contingent of U.S. soldiers arrived today in Mirebalais in Lower Plateau Central. Pro-Aristide demonstrators accompanied the soldiers on their way to the barracks in Mirebalais.

U.S. troops landed in Saint-Marc on 2 October. The population in Saint-Marc, greeting them warmly, took the opportunity to release all prisoners from the city's barracks. Our correspondent, Leonard Exantus, filed a report:

[Begin Exantus recording, in Creole] At about 1500 GMT, a U.S. contingent arrived in Saint-Marc. They numbered about 20 and were applauded by the population. It did not take them long to peacefully take over the Saint-Marc barracks. About 1,500 to 2,000 people gathered before the Saint-Marc barracks, applauding the U.S. military, chanting hostile words against the Haitian military and words of support for the return of President Aristide, displaying his picture. An impromptu demonstration was then staged. [passage omitted]

By 1800 GMT, the crowd split into two parts. One group remained in front of the Saint-Marc barracks and another group went to the prison where the crowd succeeded in opening the prison door and releasing all prisoners.

Something that surprised most observers was that the population spent from 1500 GMT to 2300 GMT, standing before the Saint-Marc barracks, applauding the U.S. soldiers and humiliating the Haitian soldiers, chanting, Up With the Return of Aristide!

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Let us specify that the U.S. troops, numbering about 20, increased on Sunday evening. They patrolled the city's streets in a jeep convertible. [end recording]

Lower Artibonite, Saint-Marc, Leonard Exantus, for Radio Metropole.

Caricom Policemen, Soldiers Arrive in Port-au-Prince

PA0410034094 Madrid EFE in Spanish 0017 GMT 4 Oct 94

[FBIS Translated Text] Port-au-Prince, 3 Oct (EFE)—Troops from the Caribbean Community (Caricom), made up of the English-speaking countries of the region and trained by U.S. soldiers in Puerto Rico, today began work in Port-au-Prince.

The 300 Caribbean soldiers and policemen took up positions in the pier area a few hours after arriving in the Haitian capital.

This is the first contingent of the multimnational force to arrive following the U.S. intervention that took place on 19 September, after the U.S. Government reached an agreement with the "de facto" leadership of Haiti.

The group began to arrive in Haiti on Sunday, after completing special training in Puerto Rico in preparation for their participation in the U.S. mission in Haiti, before the predicted return of constitutional President Jean-Bertrand Aristide.

The members of the Caricom "Peace Force" will reinforce surveillance in certain areas of Haiti. Among other techniques, they have been trained to control riots.

Soldiers from Jamaica, Belize, Trinidad and Tobago, Antigua and Barbuda, Bahamas, and Guyana—all English-speaking countries of the Caribbean area—belong to the Caricom forces.

U.S. Soldier Wounded, Retaliates Against Attackers

FL0310215394 Port-au-Prince Radio Metropole in French 1600 GMT 3 Oct 94

[FBIS Translated Excerpt] A U.S soldier was wounded last night in Les Cayes. According to a U.S. military spokesman in Port-au-Prince, two Haitian soldiers shot this U.S. soldier in Les Cayes. The U.S. soldier retaliated, wounding his attackers.

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Deputy Accused of Masterminding Assassination

PA0310160094 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 3 Oct 94

[Report by Raul Sanchez Carrillo from the "Early Morning" newscast]

[FBIS Translated Text] The Attorney General's Office [PGR] has asked the Chamber of Deputies to strip Tamaulipas Deputy Manuel Munoz Rocha of his immunity to begin criminal proceedings against him after confirming he masterminded and perpetrated other crimes in connection with the assassination of Jose Francisco Ruiz Massieu, the late secretary general of the PRI [Institutional Revolutionary Party].

Recently arrested suspects stated that Abraham Rubio Canales participated in the plot to assassinate Ruiz Massieu. Rubio Canales, who is serving a 14-year prison term in El Cerezo Social Readjustment Center in Acapulco in connection with charges of fraud against Acapulco Trust, was kept abreast of the assassination plot via telephone. In addition, Manuel Munoz Rocha told Fernando and Jorge Rodriguez Gonzalez that Jose Francisco Ruiz Massieu had to die because, as with other people whose names are on a list currently in the possession of the PGR, he supported several reforms to modernize Mexico politically—a move Munoz Rocha felt ran counter to his own self-interests. Munoz Rocha also said the assassination of Ruiz Massieu would contribute to politically undermine Mario Ruiz Massieu, deputy attorney general and brother of Jose Francisco Ruiz Massieu.

Deputy Attorney General Mario Ruiz Massieu is following the investigations himself. According to the prisoners, Munoz Rocha has indicated that, via his position as a deputy, he would propose the creation of a special prosecutor's office to delay the investigation in the wake of the crime. As Television Azteca reported Friday [30 September], two vehicles—a green 1995 Chrysler Neon and a Taurus van—left 107 Edna Street the day of the assassination. Both vehicles, as well as another belonging to Maria Eugenia Ramirez Arauz, the wife of Fernando Rodriguez Gonzalez, were presented on Television Azteca on Friday.

One night before the assassination, Fernando Rodriguez Gonzalez was already aware that Jose Francisco Ruiz Massieu would be attending a breakfast on La Fragua Street. The night of 28 September, all of the accomplices and masterminds involved in this crime went to La Fragua Street to familiarize themselves with the area that Ruiz Massieu was going to visit the next morning and to forecast his movements, as well as to decide where to park the Taurus van driven by Jorge Rodriguez Gonzalez. Jesus Sanchez, who is already under arrest; Deputy Manuel Munoz Rocha, who remains at large; Daniel Aguilar Trevino, who is under arrest; and Carlos Cantu Narvaez, who is also being held, rode in the Neon Chrysler. After Ruiz Massieu was shot, Jorge Rodriguez Gonzalez and Carlos Angel Cantu left the van and headed for Sanborns in Chapultepec, where they met with Fernando Rodriguez Gonzalez. At the store, Fernando Rodriguez Gonzalez received a cellular telephone call from Deputy Munoz Rocha, who, according to statements by those already in custody, was quite upset because they had failed and had only wounded Ruiz Massieu.

Later, and after receiving airline tickets under phony names and money for their expenses, the accomplices were ordered to go to Matamoros, Tamaulipas, under the promise that they would later receive 50,000 new pesos and be given well-paying jobs. Meanwhile, the suspected participation of two deputies in this case has been cleared up. Airline tickets bought under the names of two lawmakers were purchased for Daniel Aguilar Trevino and Carlos Angel Cantu Narvaez to travel from Matamoros to Mexico City during the first few days of September. This is the evidence that federal agents have investigated and cleared up.

The PGR has established that Abraham Rubio Canales is the father-in-law of Raul Balladares del Angel, second-in-command under drug trafficker Juan Garcia Abrego who heads the Gulf Cartel. Garcia Abrego was arrested in May 1993 by order of Deputy Attorney General Mario Ruiz Massieu.

The plot to murder Francisco Jose Francisco Ruiz Massieu was hatched more than 30 days ago. The PGR was able to establish these details when it arrested more suspects involved in the 28 September murder that took place on La Fragua Street.

Federal and PGR agents headed by Commander Adrian Carrera Fuentes and supervised by Deputy Attorney General Mario Ruiz Massieu arrested Jesus Sanchez, driver of Fernando Rodriguez Gonzalez; Roberto Angel Ramirez Arau, brother-in-law of the man who hired and paid all of the travel expenses of accused murderer Daniel Aguilar Trevino; and accomplice Carlos Angel Cantu Narvaez.

The PGR also arrested Jorge Rodriguez Gonzalez, brother of Fernando Rodriguez Gonzalez, who is reponsible for hiring the accomplices. Another person arrested is Jose Pascual Alvarez, a Tamaulipas rural police commander who sold a nine-millimeter Intrac submachine gun and a AK-47 rifle, better known as a goat's horn, to Jorge Rodriguez Gonzalez.

All of the arrested suspects acknowledged that the murder was masterminded by Deputy Manuel Munoz Rocha and that Fernando and Jorge Rodriguez Gonzalez had worked on the details since the beginning of September. At that time, Fernando instructed his brother to hire two bodyguards who would be working with Deputy Manuel Munoz Rocha, with the understanding that the two bodyguards should be very brave and reliable. A meeting was held at No. 107 Edna Street in Colonia Alpes Las Aguilas. Maria Eugenia Ramirez Arau, wife of

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Fernando Rodriguez Gonzalez, and her brother Roberto Angel took part in the meeting. Also present were Deputy Manuel Munoz Rocha, Daniel Aguilar Trevino, Carlos Angel Cantu Narvaez, and Jesus Sanchez.

The weapons used in the crime—the nine-millimeter Intrac submachine gun and the AK-47 goat's horn—have already been recovered.

The PGR recently announced the arrest of Irvin Anthony Torregos Ciceron, who also participated in several of the murder rehearsals at the home of Fernando Rodriguez Gonzalez, who was responsible for explaining how the murder should be carried out. Torregos Ciceron and Jorge Rodriguez Gonzalez instructed Ruiz Massieu's assassin and Cesar Angel Cantu that, if they were arrested, they should confess that they were both from Acapulco, Guerrero, and that everything had been a personal vendetta.

The PGR is filing charges against Roberto Angel Ramirez Arauz, Jesus Sanchez, Jose Pascual Alvarez, Jorge Rodriguez Gonzalez, and Irwin Torregos Ciceron, all of whom are accused of conspiracy, the sale of restricted weapons meant for the exclusive use of the Armed Forces, homicide, active concealment, and other charges.

Meanwhile, police are still searching for Deputy Munoz Rocha, Fernando Rodiguez Gonzalez, and his wife Maria Eugenia Ramirez Arauz.

Traffickers Claim Responsibility

PA0310144094 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 3 Oct 94

[From the "Early Morning" newscast]

[FBIS Translated Text] In an anonymous letter sent to Mexico City's EXCELSIOR newspaper this weekend, alleged—and I stress—alleged drug traffickers claimed responsibility for the assassination of Jose Francisco Ruiz Massieu, and they threatened to kill other prominent Mexicans if the fight against drug trafficking is not halted. The communique added that if their demands are not met, they will assassinate two businessmen, two athletes, two more politicians, two actors, or two members of the Catholic Church.

I reiterate that this is a threat published in EXCELSIOR this weekend. I must add two other things about the letter which, by the way, although signed by members of the Gulf Cartel, does not include the name of the person responsible for its content. It states: We will prove that, despite all of your bodyguards, we are prepared and will kill anyone we need to kill, as has happened with your dear politicians. This letter does not explain why they referred to politicians rather than a single politician in terms of Jose Francisco Ruiz Massieu's murder. This apparently refers to previous assassinations. You can draw your own conclusions.

For every action taken against the illegal drug business, this communique warns that two of the select individuals will die. The communique, which had spelling mistakes, was composed on a typewriter with a worn ribbon. It added: Stop the campaigns against us; only in this way will there be peace in this country, and then you can sleep peacefully and continue stealing however much you want. This also is part of the letter sent to EXCELSIOR.

EZLN Questions Church Position in Chiapas

PA0210180994 Madrid EFE in Spanish 1613 GMT 2 Oct 94

[FBIS Translated Text] San Cristobal de las Casas (Mexico), 2 Oct (EFE)—The Zapatista guerrillas today announced that the Catholic church has decided to join the nation's "powerful" and to wage war by turning down a Zapatist request to oppose the official results of Chiapas gubernatorial elections. In three letters sent from the southeastern mountains of Mexico, the Zapatist National Liberation Army (EZLN), through Subcommander "Marcos," questioned the church's position in the conflict in the state of Chiapas, which is located in the southeastern part of the nation. The EZLN reiterated that it cannot endorse an "undemocratic imposition" and declare PRI [Institutional Revolutionary Party] candidate Eduardo Robledo, the official winner of the 21 August elections, as Chiapas governor.

This weekend, the bishops and all members of the Catholic Church Commission for Peace in Chiapas sent a letter to the EZLN, urging the organization to accept proposals to renew the dialogue with the government. In response, the Zapatist guerrillas noted, "Robledo is appealing to the Catholic Church to obtain an endorsement he could not obtain by way of the ballot box."

The guerrillas asserted that "far from being a mediating party and struggling for peace," the Catholic Church has now joined the side of imposition, intolerance, war, and the powerful." The EZLN indicated it is "appealing to the bishops" to refrain from associating their search for peace and brotherhood with the election results, because this will only identify them with the PRI and, in turn, remove all credibility from their pastoral work.

In addition, the Zapatists also criticized the protest march organized by residents of San Cristobal the las Casas (800 km southeast of Mexico City) against Bishop Ruiz, a mediator in the conflict, saying the march carried the "stench" of what can be expected from the future "Robledist" government.

In its rejection to the church request, the EZLN argued that various independent observers have proved the election in Chiapas was fraudulent in favor of the PRI candidate and against opposition candidate Amado Avendano. The EZLN stated that now most people in Chiapas believe "the PRI should no longer rule this land," and it added that the guerrillas have committed themselves to the will of the majority and will act accordingly.

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The EZLN also rejected any connection to the Party of the Democratic Revolution and reiterated that the Zapatist struggle is for democracy, liberty, and justice. The EZLN proclaimed: "Respect for the people's will is our right; now, however, the government wants to reduce our demands by doing nothing more than providing aid, while rejecting the political essence of the problems that exist in the state."

The EZLN told the bishops: "We ask ourselves whether Indians have political rights, whether we should be content with the government's mere promises of charity, and whether we have a right to demand respect for the people's will in electing a government." The EZLN also asked: "Are people of mixed blood the only ones who have the right to take part in politics, and should we surrender to the imposition of an individual (Robledo) who is linked to Chiapas' filthiest and cowardly history?"

Other questions asked by the Zapatists included whether the EZLN should tolerate "once again the humiliation and death that the white guards [paramilitary units financed by and which protect ranchers] have promised us," whether we should tolerate racism from high-handed businessmen and cattle ranchers, and whether we should waste our people's blood and acquiesce in order that nothing changes in Chiapas.

EZLN's Major Rolando Interviewed

PA3009030194 Monterrey EL NORTE (foreign edition) in Spanish 27 Sep 94 p 12a

[Interview with Major Rolando of the Zapatist National Liberation Army, EZLN, by Miguel Angel Chavez, "somewhere in the Lacandona jungle"—date not given]

[FBIS Translated Text] [Chavez] Major, almost 10 months after the beginning of the EZLN's armed struggle, do the reasons that prompted you to participate in this struggle still exist?

[Rolando] In general terms, the motives are still there. They continue to exist. Nothing that we took up on 1 January has improved.

I believe I am participating in this struggle for the same reasons as many other people. The things that motivated us existed before we ever belonged to this army. For instance, we did not have the education necessary to obtain a better job. People without any training must take the first job that comes along, the most difficult jobs.

In my case, I had to travel to the closest cities to find a job. Once you got there, they asked you for your school records, and I had none. Unfortunately, we only got to the third grade in grammar school; that was it. There were no teachers, there was no school that offered full basic education. Grammar school education was lost, although we know that grammar school and high school educations are mandatory. But what could we do?

We also saw the suffering of a family that could not afford the basics for good nutrition. Every day we used to think: What are we going to eat tomorrow? Today we are eating this. It was a bean swimming on a plate as if it were a pool, bathing there.

Those were the main reasons. When we needed something, we organized agricultural projects together, but we only got promises. We sought help from the people. We went back many times. Sometimes we got promises, but they were only lies.

[Chavez] Major, all the shortages and problems aside, was it a great sacrifice to launch the struggle?

[Rolando] One has to make a decision. Actually, one has a choice. In my case, I had to choose between doing something for all the people or doing nothing; continuing to live in shame and humiliation all the time. That is when we said: We must do something. Those experiences made us realize that if something needed to be done, we had to do it.

That is when community leaders realized that something had to be done, that we had to organize ourselves. Contact was made with this organization to do something, and we prepared ourselves.

It was different in the past because we wanted to prepare ourselves to defend ourselves within our communities. In those years there were many evictions; entire communities were evicted. White guards on the service of farm owners, of the public security forces, and of the Army were sent to evict us from the communities, to push us into this corner. It was then that we decided to fight, to defend ourselves within our communities. That was our plan, to defend ourselves.

As time went by, we realized that our original struggle for land was weakening because the land was running out. That is what we were told. They told us that we could not organize ourselves to demand land because there was no more land.

They also changed Article 27 and told us: You may do whatever you wish with the land; it is yours, but you own nothing. Generations continue to grow as well as the number of people demanding land, but there is not enough land.

They are trying to deceive us with the free trade agreement. They tell us that now one will have a chance to participate, that we will become part of the developed world. It is costly to gain access to the developed world, and I do not think we will ever accomplish that under the current situation.

We cannot compete with our neighbor, the United States, because it is technologically very advanced. Here in our state we are still cultivating the old way; with a hoe. We will never we able to catch up with it, compete with it. It is practically making us dig our own grave. That is when we decided to do more, when we began to

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prepare. This, of course, involved a sacrifice, and we hope it will be worth something and that our actions will not be in vain.

[Chavez] Major, as you said, you began this struggle for your own sake, for land, and now it has become a nationwide struggle. Do the EZLN demands seek to benefit the entire country?

[Rolando] We have always had the entire country in mind, not only one state.

All demands, from the very beginning, from our first war declaration, sought to benefit the entire country. There have been attempts to regionalize this struggle, the government has tried to regionalize it. The government has claimed that we are only a small group in the state of Chiapas and thought it could buy us out with offers.

From the very beginning of the talks, the government never addressed national demands. It thought the Indians would be satisfied if they were given what they lacked. They were wrong, because its offers and negotiations were only regional.

The government said: We will build you a road, a hospital, a school, or a house, but only for you. We knew, each member of this Army knew from the very beginning that our experiences were shared by other people in other states. People are living under the same conditions in other states, with some minor variations. We share the same needs.

We have never stopped thinking that this movement was of everyone and for everyone.

[Chavez] What about the response of the rest of the Mexican people, of the citizens?

[Rolando] We noticed from the very beginning that some reacted favorably. In fact, the cease-fire was partly an achievement of civilian society, as we call it, because it has a great influence through the pressure it applies. They applied pressure to stop this situation. We think some people did respond, although some sectors have not yet done so. But we have noticed a very important development: Certain organizations that never sat down to talk to each other or to strengthen the organization are doing so these days. We had never seen an organization gain strength because in the past, movements emerged and then disappeared, but people responded on this occasion.

[Chavez] The movement is growing. Do you think it is getting stronger every day?

[Rolando] From the time we started our activities on 1 January, we began to receive the people's support, which has grown ever since. The movement has been growing militarily and politically. It has been expanding, getting bigger. We hope the trend continues. We do not want it to reach a limit and then start dissolving itself. We are going to await the people's response. We are going to wait for the fulfillment of the commitments made with civilian society in the national convention.

[Chavez] Is the EZLN still facing threats of attack from the Federal Army?

[Rolando] Even though the government is saying it will do everything possible to reach a peace settlement, the signals we have been getting say just the opposite. The positions here are being reinforced, forces are being augmented, and incursions are taking place. Soldiers come and go. As a result of these movements, we are just waiting to see when the attack will come. Flights continue night and day. Planes fly at very low altitudes. These are the things we are looking at. The government is speaking of peace, but the facts are showing just the opposite. That is precisely why we declared a red alert. We are not getting the signal that this will have a peaceful solution but that they are preparing a final attack to run us over or to send us further away. We are not getting signals of peace. It is getting more difficult every day.

[Chavez] You are, therefore, going to remain on alert, because you mentioned in the communique published a few days ago that the EZLN will no longer remain a spectator to the government's attacks on the people's leaders and to the arrest and eviction of people from the coastal region. Does the EZLN consider this a government provocation?

[Rolando] Yes, as the communique states, we are not going to remain spectators. If the government is trying to solve this peacefully, it must give the signal. It must begin to study how to resolve these problems. But all it does is repress. That is when we say we will not stand by while repression returns.

For our part, we are going to do everything possible to resolve this peacefully. We are not going to attack. That is why we have adopted a defensive position, waiting for them to attack us. If there is no solution, however, and the people are repressed, we are not going to remain seated. Either the cease-fire is broken or we will see what we will do. That is why we are already looking to the General Command or the Committee, which are meeting to review the situation. That is why we have decided not to remain spectators. If the population is being repressed, we are not going to stand idly by. It would be like saying: "Let them go to hell, I'll just sit here." That is why there could be some risk if this is not peacefully solved.

[Chavez] What is your family situation? Would they be willing to make the sacrifice?

[Rolando] This has a very significant meaning. When you make a decision, you have to say you believe the entire population is worth more than a few people.

If you decided to sacrifice your family, it would be a decision made long ago. Once you begin this, you have already separated yourself. You separate yourself from the family. The family that is here is backing you.

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I am not saying I left my family over there to go to hell. The family understands and says, well, let us take that road, which means the entire family is with you.

In some ways, you are not sacrificing anything because the entire family is involved in the same movement, in the same struggle. He who does not understand will understand later on. As the saying goes: "You walk or you hang yourself."

[Chavez] Does the family support give you greater strength to go on with all of this?

[Rolando] Yes, because when you feel you are living within the family framework, it does not matter if you cannot be with them. But that is the way it goes. Even though you are living a civilian life, you are never going to be with them. You always have to make a separate life. That is what happens here. You are not living with them but they are with you no matter where you are. That is what encourages you to keep going. You have no other option. You cannot say, well, I will leave this here and return home. What future would you have? To continue to be humiliated? We better move on until, as they say here, the body cannot take it anymore.

[Chavez] That is why you said in your message that if the fatherland does not want you alive, you are going to find freedom in death, you are seeking your personal dignity?

[Rolando] Not only our personal dignity, but the dignity of the people. We say, well, if the fatherland does not want us, if we cannot achieve anything, or if more blood and deaths are needed, we are going to give them the dead and the blood, but all for the dignity of this people.

[Chavez] There is conviction and determination?

[Rolando] We would do it without hesitation. We are not going with the fear of death. Since 1 January we knew that we may or may not come back. We still believe we do not know when the time will come. But if death comes upon us, we are ready for it. We are not saying I'll be there in a little while and then I'll return. There is no turning back. If we are going to seek a peaceful solution, a democracy, or freedom with justice, we will go for it. Otherwise, there is no turning back. We continue to seek a settlement any way we can.

Various Huasteca Region Antiestablishment Activities

94P21241

[FBIS Media Note] The press has reported disparate expressions of rebelliousness in the mountainous Huasteca region, a region commonly noted in the press for unrest among its heavily Indian peasantry.

Contradictory Interior, Defense Assessments

The 4 August Mexico City EL FINANCIERO cited conflicting government reports on resistance detected in communities in the Huasteca, which encompasses parts of the states of Veracruz, Hidalgo, San Luis Potosi, and Tamaulipas that are adjacent to the coastal strip running from Tampico to Veracruz. The account notes a Defense Secretariat (Sedena) report on armed groups in the Veracruz portion of the Huasteca that identified a diocesan priest in Huayacocotla, Jose Carmen Galindo of San Pedro parish, as an active politicizer of his Indian parishioners and a fomenter of rebellion. According to the report, Father Jose supports the opposition Party of the Democratic Revolution (PRD) and is involved in arms trafficking. Two Jesuit priests, from Huayacocotla and Texcatepec, Francisco Ramos and Alfredo Zepeda, respectively, were also said to be promoting armed rebellion, engaging in arms trafficking, and offering masses in support of the PRD.

A subsequent Interior Secretariat investigation in northern Veracruz, also cited by the paper, rejected the Sedena findings on an armed resistance movement as "mistaken." Interior found no evidence of either armed groups or trafficking in high-powered weapons, and observed that while both Jesuit and diocesan priests preached and worked in direct support of area communities, they did so legally. Interior also acknowledged the extreme poverty of the Veracruz Huasteca, the prevalence of disease, and infrastructure and public service deficiencies and illiteracy.

Situation Described by Priests

EL FINANCIERO also reported that, in denying the Sedena characterizations of his work, Father Jose said the accusations against him originated with area caciques (local political bosses), Huayacocotla Mayor Eduardo Leines Barrera, and the ruling Institutional Revolutionary Party (PRI), especially state congressional deputy Ines Yanez Delgadillo, all of whom are angered to find Indians defending themselves. Those in power, he said, are accustomed to exploiting Indians, stealing their lands, and making them work long days on their properties for barely a 6-peso wage. He further observed that as Indians have lost their lands they have been pushed more and more toward the mountains. The church's legal work encouraging Indian outspokenness, he continued, has been useful; "the Indians are no longer willing to be trodden upon. Now they are demanding justice and democracy."

The Jesuit priests likewise were reported to have rejected the charges against them. They said that while caciques and PRI members have alleged that the shortwave Radio Huayacocotla, of which Father Francisco is the director, transmits coded messages to promote uprisings, the radio in fact only broadcasts in the Otomi, Tepehua, and Mayan Indian languages "the news carried in the papers, providing space for all the political parties to present their electoral platforms, along with carrying a community call-in show." Yet, they added, this is enough to anger the powerful, for to speak about freedom in the Veracruz Huasteca is illegal, because it means defending the opposition; to speak of citizens' voting rights, to

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speak of the individual, as distinct from the corporative, right to vote, is illegal, the larger problem being that to favor democracy in the Huasteca is illegal, and "for that reason they accuse us of belonging to the PRD."

Hidalgo, Veracruz Cross-Border Armed Actions

What is clearly an armed resistance movement is described in a 27 June report in the Mexico City investigative reporting weekly PROCESO on the 16-year-old Independent Organization of the Huasteca (OIPUH). According to PROCESO, this 2,000-strong group, founded by one Alejandro Hernandez Dolores, a soldier who deserted in reaction to army abuses against Indians, not only carries out land invasions, but, in fact, "at times, controls whole towns."

In its discussion of the range of the OIPUH's power in Veracruz, the magazine lists San Benito (where "neither the police nor the army enter, out of fear"), and "areas controlled" by the OIPUH, including those of Chicontepec, Chapotechico, Ilamatlan, Zontecomatlan, Ixhuatlan de Madero (where the municipal police commander said that "when we hear that the OIPUH has invaded some landholding it's better that we stay put" because "they have high-powered weapons that we don't" and that "in this area they number something like 300, while there are only five policemen responsible for 108 communities in the municipality"), Benito Juarez (where neither "the police nor the army will go because it is under control of the guerrillas"), Tihuatlan, Tantoyuca, and Tampico Alto.

In Hidalgo, according to PROCESO, the OIPUH has "total control" of Huejutla, and "its strength is felt" in the communities of Huautla, Yahualica, Atlapexco, Guasalingo, Tohuaco, Tecoluco Calpa, Tlachiyahualica, Achiquihuixtla, Cacateco, Pepeyocatitla, and "others."

PROCESO also credits the OIPUH with the "innovation" in strategy of usually carrying out land seizures using organization members from outside the state in which the land is seized, to make it difficult for local authorities to identify the attackers.

A Chicontepec town council member cited by PROCESO suggests a slightly different modus operandi for the OIPUH when he observes that the army is unable to capture the guerrillas because they "hide among the Indians and move from one state to another. When they are not in Veracruz, they are in Hidalgo or in San Luis Potosi or Tamaulipas."

Colombian Envoy on Fight Against Drug Trafficking

PA3009140294 Mexico City UNOMASUNO in Spanish 27 Sep 94 p 13

[Report by Isabel Llinas Zarate]

[FBIS Translated Text] After meeting with Government Secretary Jorge Carpizo, Colombian Ambassador to Mexico Ramiro Eduardo Osorio Fonseca said it will be possible to seriously combat drug trafficking, which is not only a problem of Mexico and Colombia, but also of everyone in the world, to the extent that authorities can "control" and "negate" the huge sums of money utilized by drug traffickers.

Among other things, the Colombian diplomat discussed the future signing of a judicial cooperation agreement between Mexico and his country. He recalled that President Eduardo Samper said a few days ago that drug-related corruption is more dangerous than narcoterrorism.

Osorio Fonseca said Colombia is fighting this problem by increasingly revealing the mechanisms used to supervise the work of officials who make important decisions. In addition, he proposed to closely monitor the financial disclosures of those officials in a position to make decisions that could affect drug control.

During the interview, Osorio Fonseca said his country spends a sizable portion of its budget in fighting drug trafficking but that there is an extremely large market, the United States and Europe, in which drug trafficking has not been attacked harshly enough and in which it will be difficult to fight against it.

He said drug trafficking is one of humanity's "worst problems," adding that his country has made great efforts to reduce this problem, which has entailed a high price in terms of grief and loss of lives. Regarding money laundering, he said the problem should be included in the Mexican-Colombian judicial cooperation agreement, for which a date has not yet been set for signing because other steps must be taken with the Attorney General's Office, Foreign Relations Secretariat, prosecutors offices, and the legislatures, which will have to express their final positions.

He pointed out that the two countries have a great deal in common in the area of drug trafficking. Both are fighting the activity in similar ways, for which they will certainly find forms of cooperation to make their effort more effective.

He highlighted the fact that drug trafficking exerts a "economic power" and has an incredible ability to corrupt. He noted that the battle must be waged "within the law." One cannot destroy a person's honor based simply on suspicion, and "we must be very careful about this."

He said Colombia has very strict monetary controls, and if the effort is successful and we are able to prevent drug traffickers from investing their enormous resources, drug trafficking will suffer a very heavy blow." [no opening quotation marks published]

Regarding methods used in Colombia for preventing drug traffickers from interfering in politics, Osorio Fonseca said: "Closely monitoring the assets of those public officials whose decisions affect counternarcotics policy

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in one way or another; maintaining close and strict control over the financial system, particularly the entry of large sums of new money; tight surveillance of all organizations within the police forces, the Army, and all those in a decisionmaking position; and keeping an eye on the growth of personal assets of government officials are all part of an effective system of impeding drug trafficking."

He stressed that the drug trafficking problem should be examined and fought from a global perspective and include efforts against money laundering, consumption, and transportation of chemical precursors used in processing drugs.

He said: "We cannot simply fight just one of these. Drug trafficking is not solely a Colombian problem, but a worldwide problem. Our country has done more than its share and will continue to do so responsibly and seriously, but it demands other nations do the same."

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El Salvador

FMLN Issues Communique on Corruption

PA0310040394 San Salvador LA PRENSA GRAFICA in Spanish 28 Sep 94 p 47A

[Communique by the Farabundo Marti National Liberation Front, FMLN, Political Commission on the elimination of corruption]

[FBIS Translated Text] 1. The numerous expressions of corruption are some of the evils we must quickly eliminate from El Salvador.

The corrupt and those who institutionally harbor them, or those who lease their services, must be held accountable before the law and even sent to prison to pay for their crimes and to set an example.

2. The changes initiated with the negotiation and signing of the peace agreements are the instruments paving the way for the charges of corruption currently being filed.

El Salvador is beginning the development of a legal democratic state. We have made progress, although there is still much left to be done. The population is gaining confidence in the new institutions. Thus, conditions are being created to encourage the population to overcome its fear and report instances of corruption. At the same time, there is an increase in expectations and demands with respect to what can be accomplished underf new conditions of peace and democratization.

The FMLN is firmly committed to the continued progress and irreversibility of this democratization process.

3. Recently, right-wing individuals have denounced some cases of corruption. Kirio Waldo Salgado has taken advantage of the impact of the accusations against him to renew his attacks against the peace agreements. However, the fight against corruption cannot honestly be associated with indictments of the agreements. Any attempt to make such a connection merely cloaks the trite objective of regressing to a dictatorship under a new disguise, and this implies encouraging abuses and corruption, which are by-products of a dictatorship.

4. On the other hand, the reported cases confirm that corruption in the Salvadoran state has been, for some time now, an unpunished mechanism to get rich. At the same time, they indicate, without a doubt, that institutionalized corruption prevailed and continues to persist within the ARENA [Nationalist Republican Alliance] government, and even on a larger scale: "golden ring" individuals who take advantage of the privatization program to get rich illegally, as in the case of bank privatization; million-dollar tax evasions, which are concealed by those responsible for prosecuting them; "influence peddling;" diverse types of organized crime, etc.

5. Currently, the ARENA hierarchy cannot deny that it covered up instances of corruption, which has turned out to be a way of encouraging more corruption. We just have to recall the period when Ochoa Perez was president of the CEL [Lempa River Hydroelectric Executive Commission], when, according to the National Audit Office, he embezzled more than $19 million from the state. While CEL president, Ochoa Perez was also member of the ARENA National Executive Council (COENA), as well as a party deputy. The COENA, as well as Alfredo Cristiani are obligated to provide an explanation.

6. It is time to put an end to corruption. The FMLN calls for:

a. the disclosure of the 100 or 110 cases being investigated by the "anticorruption commission," appointed by former President Cristiani.

b. the establishing, by the Legislative Assembly, of a special commission, which will be in charge of collecting the greatest amount of information possible and making sure the appropriate state's institutions effectively investigate and punish those responsible for corruption, regardless of whether they are corrupt themselves or whether they corrupt others. The FMLN calls on all citizens to continue reporting these people without fear.

The habitual indifference regarding corruption by the district attorney's offices, the National Audit Office, and other organizations that have the obligation of fighting it must end.

c. the immediate resignation or dismissal of the ministers and other government officials who in the course of the investigations may turn out to be involved in acts of corruption.

d. that Attorney General Romeo Melara Granillo act courageously, promptly, and firmly, or otherwise resign.

e. significant reforms in the basic law of the National Audit Office so that it can effectively fulfill its role as comptroller.

f. that the president of the National Audit Office and the office as a whole must prove their efficiency, promptness, and equal treatment in the investigation of reported cases of corruption. Otherwise, they must resign so that truly independent and reliable National Audit Office members can be elected.

g. reforms to the Tax and Criminal Law so that prison sentences can be given, without excuses, to those found guilty of tax evasion.

h. that the nation's budget be exclusive, as the Constitution states. It must be clear-cut: there must be no separate budgets that are not subject to the Legislative Assembly's approval. There should be no discretionary funds either. Both of these are sources of corruption.

7. Finally, we announce that we will support the decisions and measures promised by President Armando

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Calderon Sol against corrupt people if they are appropriately put into practice. We will also support all the actions carried out by state institutions, political parties, civilian organizations, or by individual citizens aimed at punishing and eradicating corruption from among public officials and tax evaders in general, thereby strengthening democracy and promoting the construction of an authentic state of law.

San Salvador, 26 September 1994

Land Bank Branches Open To Expedite Land Transfers

PA0310152994 San Salvador Canal Doce Television in Spanish 0300 GMT 30 Sep 94

[From the "Up-to-Date" newscast]

[FBIS Translated Text] The Special Agrarian Affairs Commission [CEA] of the COPAZ [National Commission for the Consolidation of Peace] has announced the opening of branches of the Land Bank, which will give greater vitality to the land transfer program. According to commission members, the program of giving land to beneficiaries of the peace accords has been fulfilled by only about 30 percent, although they expect to conclude the process by the middle of next year.

According to CEA-COPAZ Acting Coordinator Ricardo Santamaria, five branches of the Land Bank will function in the countryside to help decentralize the land transfer program.

[Begin Santamaria recording] Every regional branch has the documents, certificates, lists, and properties. The problem of documents and lists no longer exists. This shows goodwill on the part of all parties. [end recording]

With this measure, Santamaria noted, the goal is to give greater vitality to the land transfer program, which is one of the peace accord mandates that has experienced the most delay. The coordinator stated that only 30 percent of the program has been complied with in real terms, meaning land transfers. The percentage varies with regard to the number of certificates handed out to beneficiaries in order that they can claim land.

[Begin Santamaria recording] Up until 23 September, 13,224 land allocation certificates were issued. This amounts to 75 percent of all certificates that were going to be handed out. The equivalent of 25 percent, or 3,829 certificates, are still pending. [end recording]

For this reason, the CEA-COPAZ is calling on everyone with a beneficiary certificate to claim his land to enable the program to advance. CEA-COPAZ members are confident the land transfers will be completed around the middle of next year.

Guatemala

President Planning Letter to U.S. on Trade Policy

PA0310201794 Guatemala City SIGLO VEINTIUNO in Spanish 30 Sep 94 p 4

[Report by Juan Carlos Ruiz Calderon; passages in italics as published]

[FBIS Translated Text] After an emergency meeting with the economic cabinet, President Ramiro de Leon Carpio decided to promote among the Central American presidents the idea of sending a letter to U.S. President Bill Clinton asking him to clarify his country's trade policy and how it will be guided in the future given that the Interim Trade Program [PIC] initiative has been withdrawn.

Economics Minister Eduardo Gonzalez Castillo announced this yesterday during a news conference in which he stressed that Clinton's decision will have *alarming repercussions*among the Caribbean countries, particularly Guatemala.

Gonzalez Castillo said when the news was learned, De Leon Carpio immediately began contacting the region's presidents to encourage them to react as soon as possible to request an explanation and express the frustration engendered by the decision.

He indicated that the PIC was an initiative of U.S. Vice President Al Gore who promoted it during the meeting he recently held with the Central American presidents in Honduras.

The economics minister said *Clinton's political decision will undoubtedly change the position that Central America will bring to the Summit of the Americas in Miami in December.*

Goodbye To Hemispheric Free Trade

Eduardo Gonzalez indicated that passage of the PIC represented the first step in creating a hemispheric free trade zone. Clinton's political decision will delay our countries' participation in a possible continental free trade agreement.

He said *this is the reason for President Ramiro de Leon's initiative to ask Clinton for an explanation, because the expectation was that the program would be submitted to Congress along with the legislation to ratify the GATT agreement.*

Gonzalez said there is now the danger that the garment and textile industries that operate in Guatemala will move to Mexico—a country that since 1993 [as published] has enjoyed free access to the U.S. market because it has signed NAFTA.

Gonzalez warned that if the garment and textile industry plants move to Guatemala's northern neighbor, nearly 60,000 people who today are directly employed by this sector will be left jobless.

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The country will also stop earning approximately $120 million a year from this business activity, which has been growing.

The situation is worrisome, he said, because the garment and textile industry represents the nation's principal nontraditional export and holds the third-ranking spot among all export products.

He said our region had more advantages than those offered by Mexico for these types of activities, but following NAFTA's implementation, the situation changed dramatically.

He explained that in 1992, the Caribbean countries registered a 25-percent growth rate while Mexico registered a 26 percent rate. In 1993, the Caribbean basin grew 28 percent while Mexico grew 19 percent. This year, however, our countries registered only a 9-percent growth rate while Mexico's has climbed to 39.2 percent.

Honduras

Economic Cabinet on Stabilization Program

PA0210033094 Tegucigalpa Voz de Honduras Network in Spanish 1724 GMT 29 Sep 94

[News conference by the Economic Cabinet, consisting of Central Bank President Hugo Noe Pino, Finance Minister Juan Ferrera, Deputy Finance Minister Cristiana Nufio de Figueroa, and Natural Resources Minister Ramon Villeda Bermudez, with unidentified reporters at the Presidential Palace in Tegucigalpa; broadcast in progress—live]

[FBIS Translated Text] [Villeda]...to procure machinery and spare parts for Secopt [Secretariat of Communications, Public Works, and Transportation] through internal debt by signing promissory notes for the purchase of cement is one example.

Also, in the last months of 1993, a large number of payment orders were [word indistinct] at the Treasury, which appeared to be a surplus. This trick allowed the Treasury to present on 31 December 1993 an apparent financial solvency with an illusory positive balance of 151 billion lempiras. This was also made possible due to the release of 300 million lempiras in regular bonds on 31 December 1993. These funds were used to pay promissory notes, mostly in February and March, that had been retained at the Treasury. The delay in paying the foreign debt service complicated matters. On 31 December 1993, it totalled 240 million lempiras. The state lacked cash as it also made payments of 65.3 million in interest toward other debts and commissions.

During the first months of 1994, payments of 52.5 million lempiras owed to the Paris Club fell behind as the available resources were insufficient [words indistinct] to pay these debts.

When the current government took office on 28 January 1994, the previously indicated positive balance was really a deficit of 130.3 million lempiras, not a surplus of 151 million lempiras.

This financial imbalance has increased every day to the degree that we do not have the funds needed to face the [word indistinct] of the previous government. That explains several of this government's decisions to the effect that tax reform is necessary to obtain resources and reverse the government's critical situation of outstanding debts and tangled finances. We can prove that our fiscal deficit exceeds 9.5 percent.

The media is reporting the economic measures. Central Bank President Dr. Hugo Noe Pino is in charge of expounding on these measures. I therefore give him the podium.

[Noe] Thank you, Dr. Villeda Bermudez. As soon as this administration took office, it implemented an economic stabilization program to rapidly decrease inflation. This macroeconomic stabilization program consists of three important elements that must be viewed together: monetary policy, foreign exchange policy, and fiscal policy.

As for monetary policy, as you all know, the Central Bank had to increase the level of legal cash reserves to reduce the pressure on exchange rates and prices. This measure, which brought cash reserves to 40 percent, is, of course, temporary, although it has become one of the main pillars of the stabilization program. In the short term, the measure has reduced pressure on prices and exchange rates. Once the program tackles the fiscal aspect, and as we advance in the stability process, the Central Bank is willing to gradually and systematically reduce the level of legal cash reserves to ease credit as required by productive sectors. This will take place by the end of this year or the beginning of the next.

As regards the foreign exchange policy, as you all know, we established the mechanism of [word indistinct] bids, which, if we compare them to the previous exchange depreciation rates, have had a very positive effect in controlling depreciation. This means that, during the second half of 1994, we went from percentages of exchange rate depreciation of approximately 11 and 12 percent, for both purchase and sale, to close to 5 percent. We want to point out that our basic objective is to stabilize the exchange rate completely. But as long as there is this big [word indistinct] between supply and demand for dollars, the mechanisms will logically establish a 1-percent depreciation every five bids. Here we must add that the relative stability of the exchange rate has allowed the country to receive only 50 percent of what it received last year in external loans.

In the first six months of 1993, we received $143 million in what we call long-term official capital; in other words, loans from international organizations. As of June 1994—and the figure did not changed in subsequent months—the government had only received $70 million.

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Logically, we must measure the impact that a 50-percent reduction in loans to the government can have, and it translates into a very strong effect on the exchange rate. Therefore, despite the fact that I have basically achieved exchange rate stability, which we believe we can accomplish next year upon receipt of foreign exchange from coffee, the foreign exchange reserve will increase from $180 million or $200 million this year to about $450 million or $500 million. This will give the country a relatively stable exchange rate. As you all know, the exchange rate is one of the most important macroeconomic indicators because it determines the pace of the [word indistinct] prices; in other words, the inflation rate.

This macroeconomic stabilization program must be viewed in an overall manner, including monetary policy, exchange policy, and fiscal policy, because they are interrelated. In order for monetary policy and exchange policy to have results, the government must reduce the fiscal deficit. To reduce the fiscal deficit, it is important that the government receive additional income. We have obtained this at other times. The government's goal for 1994 is to reduce the deficit from 11.2 to 7 percent. Of this 4-percent reduction in GNP, 2 percent is a reduction in spending—a combination of a 10-percent reduction in the current expenditure account and a reduction in investment expenditures, (?which has been already reduced to a minimum) over the past nine months. On the income side, 2 percent of the GNP will be used to close the gap.

This is the fiscal proposal currently being discussed in Congress. These three basic policies—monetary policy, exchange rate policy, and fiscal policy—are the bases for the macroeconomic stabilization program, which will also result in greater stability in the country plus the possibility of a reactivation of national economic activity.

These are some of the points we wanted to make about the basics of the macroeconomic program. It will be up to the Finance Ministry to further explain fiscal policy proposals that are currently being discussed in Congress.

[Station announcer, interrupting] Finance Minister Juan Ferrera will outline the fiscal policy. But first, Natural Resources Minister Ramon Villeda Bermudez will take the floor.

[Villeda] ... Juan Ferrera, especially because the ministry he heads formulates the national budget, which has been questioned. Those questions require answers. This budget has been called an expansive budget. Some say most of the spending will be for bureaucratic expenses. In light of the questions raised by the media, the finance minister will take the floor, followed by Cristina Nufio de Figueroa, deputy finance minister.

[Station announcer] Let's listen to Juan Ferrera, the finance minister.

[Ferrera] ...the national press. You have heard the statements by Dr. Villeda Bermudez and Dr. Hugo Noe Pino. It is up to us to find out why we have a financial imbalance in the country and why we are encountering difficulties in keeping the government apparatus working for what President Reina has called a new government with a new way of doing things, a new style. We must try to make President Reina's political slogan about a moral revolution a reality. Considerations of this nature have led us to question the constant trips by representatives from international financial organizations to Tegucigalpa and trips by government officials to Washington.

Because we found the country to be in such a deplorable financial condition—as the former government failed to fulfill its promised goals—we had to seek ways to negotiate and implement what President Reina has tried to avoid. We were forced to increase the sales tax from 7 to 10 percent, which had been promised in the letter of intent signed by the preceding government, in addition to liberalizing the customs assessment factor. We set this factor at the price of foreign exchange, thereby modifying the price of public utilities.

This is not an easy task for the finance minister, his colleagues, and the two deputy ministers, particularly Mrs. Nufio de Figueroa. We have made a great effort to fulfill the goals and guidelines set by President Reina. That is why we have presented to Congress a tax reform program intended to tax the rich so taxes cannot be transferred to low-income groups that have been hit the hardest by the series of economic structural adjustment measures.

I would like to convey the message that the international financial organizations are in no hurry to correct this financial imbalance. We Hondurans must take steps to correct this financial imbalance. Naturally, economic cabinet officials are fully committed to achieving this task. This is the basis for the just initiative presented to Congress, which that body must analyze. These are some of the problems posed by the presentation of a budget that some consider expansive and a continuation of government spending.

I will now allow Mrs. Nufio de Figueroa to speak so she can further explain the budget situation. We Hondurans must seek a agreement with the international financial organizations because we cannot pay them. We will not be able to pay them if we do not receive the loans which have been negotiated but which need to be approved because we are citizens...[pauses] a government that honors its commitments. This will allow us to approach other financial organizations such as the World Bank and the IDB [Inter-American Development Bank] to continue developing the human side of government programs. I will now allow Mrs. Nufio de Figueroa to explain the situation.

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[Figueroa] There is a totally distorted view of the budget bill presented by the executive to Congress on 14 September. It is essential to analyze this situation briefly to inform the public of the real situation.

Some say the tax reforms proposed to Congress are only intended to isolate expenses. It has been said that the budget was increased by 2 billion lempiras. Compared to the original 1993 budget, the increase is 1.838 billion lempiras. In order to understand this situation, we must refer to the budget approved for 1994.

As you recall, Congress approved the 1994 budget in December; in other words, it was approved by the previous Congress. That budget had a deficit as it did not include several commitments already acquired by the government. The deficit also affected many budget allocations, particularly those needed to cover social spending.

What is the situation? There are expenses that must be incorporated into the budget in 1994. How much are we talking about? We are talking about incorporating 850 million lempiras into the 1994 budget, 600 million of which come from foreign funds. What are those funds for? Part of them will be used for projects that are not necessarily priorities, that could have been deferred. Why? Because the previous government did not correctly define priorities. Our credit was used for projects that today we must implement and which have used up the country's credit and increased our foreign debt. I will mention specifically the project for an air terminal in San Pedro Sula and Roatan which this year alone will require an investment of 200 million lempiras not included in the budget. I will also mention a project to build a small electricity plant. Generators are being installed at the Nataomi River Dam, which was really an irrigation project. This project was not given priority because it was not originally intended to generate electricity; its capacity to generate electricity is relatively low. This project will has the very high cost of $44 million. This year alone, 75 million lempiras must be included in the budget for this purpose. Another example is the outskirts road. I am not saying it isn't necessary, but more than 100 million lempiras have been spent indemnifying private citizens for property.

We also incorporate some projects into the budget that lacked the necessary funds for completion, such as the road from San Pedro Sula to Puerto Cortes. We also need funds for road maintenance, which is necessary because the country has made great investments and has given priority to highway projects.

Consequently, the 1994 budget will not be for 6.183 billion lempiras, but a little over 7 billion lempiras, approximately 7.4 billion, according to estimates we have made after incorporating those projects. Any comparison should be made based on the real budget. The real basis for the 1995 budget should include projects that will possibly be implemented in 1994 for which no budget funds were available. The 1995 budget has been estimated at 8 billion lempiras. Therefore, the real budget increase is approximately 1 billion lempiras, not 2 billion lempiras. I hope this is clear: The real increase is 1 billion lempiras.

Where will the 2 billion [as heard] lempiras come from? A total of 50 percent will come from foreign funds. I am talking about the budget increase, not the entire budget. The increase will come partly from a budget increase for all projects to be financed with foreign funds. I must say that there were so many projects that really the current administration does not have the necessary flexibility to restructure the investment plan toward its own priorities. For that reason, not much can be done in 1995. Not until 1996 will we be able to incorporate projects that the current government regards as priorities into the budget. The rest will be financed with domestic funds, which are necessary to cover the deficit.

We constantly hear about pressure on public spending. They say this because people always knock on the government's door whenever there are problems. For example, we just recently had the university strike. According to the university, a request will be made for more government funding. The other day the Armed Forces appeared before Congress and said their main problem is a lack of funds, and that is why they are unable to fulfill their duty to protect the people. The lack of security, they said, is due in part to the lack of resources.

I list these things so we all realize that we are in a very delicate situation. The budget package we sent to Congress does not meet the expectations of government officials and ministers, who would all like to do a better job.

The country is completely bereft of resources. The budget has been drafted to include deficit reduction. The 1995 deficit is set at no more than 3.5 percent, and I am only talking about the central government. If we include the decentralized agencies, that figure is about 7 percent for the same year. In light of all this, what little flexibility the government has to increase its spending has been used to ease the country's social problems. The Housing Ministry will get an increase of 300 million lempiras, and the Health Ministry will receive 450,000 lempiras more.

There is another problem which was also in the 1994 budget. It is not that the Foreign Ministry was given insufficient funds. Wages are included in the budget but are calculated in lempiras at an exchange rate of two to one. We still have to pay the difference in the exchange rate, not only to cover the payroll but to cover the expenses of all our embassies abroad.

I forgot to mention that the Attorney General's office was allocated only 3 million lempiras in the 1994 budget. We have allocated 50 million, and next year we will again increase their budget, given the work they do at the Attorney General's Office. I want to conclude my statements by stressing that despite the lack of flexibility, the

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government is trying to ease the problems, and we are emphasizing those government projects that bring improvements to the social area.

I believe, however, that we must keep things in perspective. This is a country that has no medicines in its hospitals. Just getting medicine to our hospitals is an enormous task in itself.

[Reporter] [Words indistinct] the approval of what will eventually be the country's economic stabilization plan. Groups close to Congress suggest there may be several modifications to certain measures in the plan. They mention modifying net assets, implementing a smaller increase in fuel prices, eliminating toll bridges, and other things. I would like to know if the Economic Cabinet and the executive branch want this plan approved as you presented it, or did you expect changes like those I mentioned?

[Noe] A proposal sent by the executive branch to Congress for approval may be subject to discussion and changes under mutual agreement. The executive branch does not believe a proposal it sends to Congress will be accepted and approved as received, given that the legislative branch is an independent power. If the Congress finds it necessary to modify the proposal in any way, it is within its rights and has the authority to do so.

During our talks with the congressional committee and the Board of Directors, we have asked that the Economic Cabinet be allowed to assess the technical aspects of the options Congress may present. We have set forth an 11- or 12-percent reduction of the deficit rate to bring it within about 2 percent of GNP. If the modifications cover that 2-percent margin, as the executive branch's proposal does, and if we think the option can work, then we will have no objections.

The legislative branch is an independent government power. According to the Constitution, there are three complementary powers. We take advantage of this complementarity in the search for joint solutions to the nation's problems.

[Villeda] I would like to address statements by the Central Bank president. Deputy Minister Nufio de Figueroa said 500 million of next year's additional 1 billion lempiras will be financed with foreign resources. The other 500 million would come from the National Bank. The government will allocate the additional 584 million as follows: 14 million to the public registry and for preparing for the election; 30 million to the Foreign Ministry, but this is an adjustment, not an increase, as explained; 30 million for national defense and security to try to have a policeman near each house, providing peace of mind across the country; 60 million for health, this represents medicine and no more surgery postponements; 73 million for social needs through the Honduran Social Investment Fund, the PRA [expansion unknown], and a small portion to pay off its obligations with the Central American Court of Justice; and the General Attorney's office will receive 60 million. The largest sum by far is 316.8 million for education. This money will be used as follows: 266 million for salary increases for teachers, 10 million for university education, 10.8 million for the National Forestry Science School, and 17 million for the incorporation of several secondary schools which have filed their requests. The deputies will examine, discuss, modify, and approve this budget.

[Reporter] This is a question for Finance Minister Juan Ferrera. [Words indistinct] said the budget [14-second break in reception].

[Ferrera] I believe that the explanation given by Mrs. Cristina Nufio [de Figueroa] after talking about the 2-billion increase in the 1995 budget clearly shows only 1 billion is involved. The way the situation was handled has been explained. I believe the best thing is to have a budget which clearly reflects the way in which expenses are being handled. Speaking specifically about the way in which the 1994 budget is being handled with regard to the diplomatic service, I will give you an example. A person is assigned a 2,000-lempira salary in the Foreign Ministry budget, but the person actually receives $1,000 as our representative abroad. Mathematics clearly show us that no one, absolutely no one, can buy $1,000 with 2,000 lempiras right now—you currently need 9,000 lempiras to buy $1,000.

We could also seek other ways of implementing a series of increases, but in the specific case of some functions of the Attorney General's Office that cannot be eliminated, and since the Attorney General's Office was created by law, we must comply with our duty as citizens. In this specific case, the Finance Ministry should make sure that it has the necessary funds to carry out its functions. Hondurans must realize that in a way we have created too many things with very few resources. Therefore, we must exercise strict control over expenses.

As for the possibility of receiving recognition for improvements in the administration of revenues and customs taxes, international financial institutions have not given us any credit as it has not been properly handled. That is why we are seeking and have obtained support from the IDB to improve our tax administration. We really want to eliminate some institutions from the budget in 1996, not to comply with a demand from the World Bank but to see that Hondurans have a stable government and a more balanced economy.

[Station announcer] What Mr. Juan Ferrera says is closely related to what Mrs. Cristina Nufio de Figueroa said. She now has the floor.

[Figueroa] This will be brief. The budget is based on actual figures. That means it is financed by normal tax revenues and the rest comes from foreign sources. Internal credit—you said it will not be affected by inflation—has not been contemplated, because even when 550 million lempiras in Central Bank credits are

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approved, 600 million are amortized yearly. That means internal credit has been reduced in pursuance of a stable policy.

[Station announcer] Natural Resources Minister Ramon Villeda Bermudez.

[Villeda] I wish to reiterate something I said at the beginning. The previous government increased spending by 32.3 percent. This led to a fiscal deficit in comparison with the GNP percentage. What is the result? If this government's budget increased by 1 billion lempiras, but the government had extra spending of 1.0412 billion last year, then last year's budget is nearly equal to the 1995 budget. That means it is not inflationary.

[Reporter] The Congress should answer questions about the economic package. We understand this has to do with politics, also. When Carlos Flores says that Congress is not a rubber stamp that can be used to approve everything it is sent, do you think he is looking for political opportunities or protecting the people? And here is a question for the finance minister. Do you think that by discussing the package sent by the executive to Congress, it will be possible to carry out President Carlos Roberto Reina's plans for the good of the country?

[Villeda] Although the question has not been addressed to me, I will answer it. We believe, as a doctrine and by conviction, in the interdependence of republican institutions. We gladly see that for the first time, Congress is exercising its right to debate and even reform a budget, regardless of the opinion of any person in the Congress or the executive branch as to the political impact of these measures. For this reason, we have said very clearly that we will applaud any ideas the Congress may have that can improve the budget presented by the executive.

[Ferrera] Regarding the question about whether President Reina could carry out his plans if the measures are not approved as they were sent by the executive, I have this to say: We know there are people in Congress with the power to debate Honduras' fate and who are fully aware of the country's true economic and social situation.

I think the economic measures proposed to Congress will receive the necessary attention to avoid affecting the amount that will be received, because that is the important point. We will applaud any group that makes better arguments or better proposals than ours, specifically the group that has power to approve or reject those measures.

Regardless of what happens, President Reina will run a good government to the degree that his moral revolution policy is implemented with honesty and effort. During President Reina's administration, the Honduran people will come to know the real situation of the economy and what path we should take. I think that [words indistinct] when his message is clear, that it reflects and defines a new style of governing. This is the goal for the 21st century: to reach segments of the population that have been hit hard but have kept hopes alive that their government would solve their education and health problems and that there would be equitable, truly just development.

[Reporter] I would like specific answers, if possible. When you say that [words indistinct] reduce fiscal deficit to 3.5 percent in 1995 [words indistinct] through those measures. Could you explain what mechanisms will be used to reduce the fiscal deficit to 7 percent this year [words indistinct]? Second, has the Economic Cabinet decided what to do with the 450 or 500 million lempiras in coffee revenues? Will you allow this money to be wasted as it was decades ago [words indistinct]. Third, it is said that there is no [passage indistinct]. You said expenses would be reduced. Finally, minutes ago we heard on the radio that Congress, especially the National Party caucus, proposed the postponement of a debate on the economic measures, that the budget be approved first. What do you think about this?

[Noe] As for your first question, we pointed out that the reduction from 11.2 percent to 7 percent is based on two measures. The first is related to a 2-percent expense reduction and a 10-percent reduction in current and investment expenses. This has been going on since February of this year. There has been a large reduction in public investment. We also reduced current expenses. Initial figures indicate that government purchases of goods and services have been reduced by about 70 million lempiras so far this year.

What you said is correct. Approval of the economic measures will help reduce this year's fiscal deficit. This will last about two months, and the fiscal deficit will be reduced to 7 percent. These measures will help bring the fiscal deficit to 7 percent.

The Finance Ministry has been making severe spending adjustments, but these adjustments have been inadequate, to a certain extent, because throughout 1994 the government has been carrying the foreign debt burden of the National Enterprise for Electric Power [ENEE]. So far the government has paid 300 million lempiras to service the institution's foreign debt because of the energy crisis. The Central Bank has been seeking mechanisms to create a credit line for ENEE.

We are on the right track, considering that the deficit has been reduced. Until June 1994, the fiscal deficit was 6 percent. We will be under great pressure at the end of the year. The additional revenue to be secured from proposed fiscal measures would provide funds capable of keeping the deficit at 6 or 7 percent.

As for coffee, I would like to refer to two aspects, or rather two amounts. The first is 500 million [currency not specified] in exports to the international community. If we estimate 2.5 million quintals of coffee exported at an average price of $200 million [corrects himself] $200 per quintal, it would be $500 million exported to the

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entire international market. Congress will soon decide how much the government will earn in revenues from this activity. There is currently a proposal for 20 percent, or the equivalent of 350 or 400 million lempiras. If Congress approves a smaller percentage, earnings will be smaller. This is very important, because Congress has included [words indistinct] changes to coffee taxes, the following aspect: only 20 percent of the total amount the government earns from coffee taxes will be allocated to social spending. The other 80 percent will be deposited in a trust fund at the Central Bank to be invested in securities, and whatever interest is earned from this 80 percent will be used in the future to finance social spending. In other words, and I want to emphasize this aspect, the government is not considering coffee revenues as part of a solution to its fiscal problem because it is not planning to spend it all. An 80 percent [words indistinct] this arrangement is stated in a decree that has been submitted to Congress on the creation of this trust fund. Those are the two aspects I wanted to mention, and logically [words indistinct].

[Station Announcer] This is Voz de Honduras continuing its broadcast from the Presidential Palace of statements by the Economic Cabinet on the new economic measures.

[Figueroa] I only want to add that several ministries have made a great effort regarding the internal reassignment of expenditures. For instance, the Communications Ministry has substantially reduced its spending to be able to cover unfinished projects, which constitutes a major effort. It has been argued, for instance, [words indistinct] that the government cannot take off. That was true in the sense that the government lacked the resources to launch several projects; it had no money. Allocations have been made from one budget to launch several projects, particularly in road maintenance—which is a vital factor in the country. Another example—Minister Villeda can attest to this—is the Natural Resources Ministry, where one project was allocated nonexistent resources. The Finance Ministry then [words indistinct] the Natural Resources Ministry. This has been done because we must be clear on one thing: The government is acting in accordance with the law and not making budget allocations that have not been approved by Congress. We cannot, therefore, break away from this guideline [words indistinct], hinder efforts by the Natural Resources Ministry, which has sought financing for these activities from a single budget.

[Reporter] [Words indistinct]

[Figueroa] I want to mention that the public spending reduction program is not just for 1995; it is a program that must be covered during the government period. [Word indistinct] it is a comprehensive program that is currently being drafted. As you can imagine, the reduction of 7,500 jobs cannot be implemented immediately, it must be a gradual process. One of the proposals that has already been approved establishes that [words indistinct] must figure out the number of jobs. [words indistinct]. Some tax offices have already been closed, which involves some 300 jobs. Positions that have not been filled are also being eliminated, especially those earning very low salaries. The process has been started, but it will not [words indistinct] this year.

Other activities will be presumably merged. For instance, when they talk about the PRA, it does not mean that the function will disappear because it is thus far considered a program that helps alleviate social difficulties. There will be savings because many administrative activities will be merged, but all of this will not happen in 1995. This [word indistinct] will continue.

[Station Announcer] That was Cristina Nufio de Figueroa, a member of the Economic Cabinet, during this news conference in the press room of the Presidential Palace. Here is Ramon Villeda.

[Villeda] The greater the revenues earned, the more likely a reduction of the fiscal deficit [words indistinct]. Regarding the discussion on what comes first, the budget or the fiscal measures, we said the budget goes into effect next year. The fiscal measures adopted as of now could contribute a capital investment so the government can meet its obligations. As for the PRA, it will retain its social function. It reduces the size of the bureaucracy because both the PRA and the National Social Welfare Board can operate within one institution, which could be called the Children's Institute or the Family Institute. The bureaucratic expenditures will be reduced, thereby freeing up funds for programs.

[Reporter] Mr. Noe, there is talk of an overvaluation of the lempira. What implications could this have, and what can be done to avoid it? Also, could you please repeat the figures on the extra spending of the previous government?

[Noe] The overvaluation assessment I have heard in some statements by people who are supposedly well-informed is wrong. It is wrong to say that the lempira is overvalued right now. There is overvaluation when the internal inflation rate is greater than the exchange rate depreciation. In Honduras, the lempira's exchange rate is undervalued, according to the real and effective exchange rate index.

It is not true that the lempira is overvalued. When the lempira is overvalued, our exports are less competitive abroad, and we must try to see that this does not happen. Right now the lempira is undervalued to a significant degree because of the strong depreciation it has suffered.

Let us look at an example. Up until September, the lempira had depreciated approximately 23 percent; internal inflation is 21 percent. This means there is no overvaluation of the lempira. On the contrary, there is an undervaluation.

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Let me put it in specific terms: If the lempira were overvalued with regard to our exports, it would make no sense for other countries to come here to buy sugar, coffee, gasoline, cement, and other products. Countries purchase goods in a given country when prices in that country are lower. This shows that the lempira is undervalued.

[Villeda] Extra spending in 1993 amounted to 1,041,108,000 lempiras. Figures have been provided to explain these expenditures. There is the first phase of the [words indistinct] road, which cost 19 million lempiras. The second phase cost 9.9 million.

Budget policy in 1994 made matters more complex. The expansion project of the Honduran Telecommunications Enterprise cost $152 million. Small hydroelectric plants in Valle cost $44.9 million. Seventy-five percent [words indistinct] loans. The air terminals in Mesa de Roatan represents a commitment of $64 million to the Spanish Government. The Tegucigalpa peripheral road represents $53.7 million. The cold storage facilities for Puerto Cortez represent $11.7 million.

Most of the things that were done were not priorities and make up the extra spending we have mentioned.

[Reporter] Is it possible for the Reina administration to negotiate with deputies who have proposed to analyze the nation's budget first and discuss the approval of the adjustment project later? Is the Central Bank thinking about changing the dollar bidding mechanism? I understand that is the intention, considering that this mechanism has already served its purpose.

[Noe] Regarding your first question, this is something for Congress to decide. However, my personal opinion is that it makes no sense to discuss the 1995 budget first and then discuss fiscal measures. I view this is an obvious political maneuver to preclude full implementation of the country's economic stabilization program.

The reduction of the 1994 fiscal deficit and the completion of the economic stabilization project must be independent from approval of next year's budget.

With regard to the bidding, the changes introduced into the bidding mechanism are only administrative. We are creating mechanisms so requesters and banks certify to the Central Bank the funds they have. The reason for this is that when the bidding mechanism was created, it was decided that requests would be received in the morning, and bidding would take place in the afternoon. At that time it was suggested that a bid day be established. Now we are telling banks that credit slips for dollar requesters must be prepared the day the request is made. This is the only change we are making. The Central Bank is very pleased with the achievements secured by the bidding mechanism, and we are not thinking about changing it. It is true that the objectives have been met, but the economic stabilization process continues, and we will not change this bidding mechanism until the country begins a clear economic recovery process and there is a substantial change in the conditions that led to the bidding mechanism in the first place.

[Reporter] I would like to know how long the government can delay payment on the foreign debt, without being overdue, to approve the energy package? When [words indistinct]?

[Noe] I would like to begin by considering the following fact: I have said we have received 50 percent of the funds that came to the country during the first half of 1993. External funds have a dual purpose: They alleviate the fiscal deficit, because many of them serve to finance multilateral organization projects, and they are also an international reserve mechanism, or a foreign exchange mechanism for paying debts and imports.

Since the funds from international organizations did not materialize, such as the [words indistinct] and sector loans, we have naturally seen our ability to fulfill foreign debt obligations reduced. That ability is reaching its limit. I think October will be a crucial month.

If the aforesaid measures are approved before 15 October, if the government can reach an accord with international financial organizations to receive the funds that are pending disbursement by the end of October, Honduras will be able to meet its outstanding obligations. Otherwise, it will default on the debt payment, placing the country in delinquent status. This may disqualify us from receiving new loans.

Nevertheless, we believe that practically all conditions are favorable. The congressional committee said yesterday that with or without modifications—we have not yet discussed this with them—this will be approved before 15 October, allowing us to conclude negotiations and not fall behind on the debt payment.

[Reporter] Will these fiscal package modifications also result in modifications in disbursements?

[Noe] No. To the extent the modifications meet the fiscal deficit percentage reduction we have set, this does not involve any change in negotiations with the international financial organizations.

[Station announcer, interrupting] We have a final question, but before that, Ramon Villeda Bermudez will speak.

[Villeda] ...that if the government has earmarked 450 lempiras [words indistinct] coffee estimated in 20 percent. Of that total, 20 percent would be allocated for social spending. If the tax is reduced, the spending earmarked for the social sector would also have to be reduced.

[Reporter] Minister Juan Ferrera, there is a lot a talk about budget increases [words indistinct] justifying them. There is also talk of a concerted agreement with businessmen on this unfair economic package, but the truth is there is no wage increase for Hondurans. In this

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regard, I would like to ask, when will wages be increased? When will businessmen be asked to support this measure, as you have said in the past?

[Ferrera] That agreement you mentioned included the business sector, but it was not the only sector that was called for consultation in order to implement a fiscal policy supported by all. I think the business sector—as has been confirmed—has expressed its willingness to discuss the minimum wage, but it has not met the same attitude from labor unions to solve the minimum wage problem.

As I said before, I think some businesses have modified wages, and, thank God, there is understanding among some businessmen in Honduras. I urged those who may make adjustments to increase wages to keep peace between capital and labor. I continue to believe this is the best way to accomplish this.

The president, however, has instructed us to seek initiatives so these sectors can find ways to reach agreements. If this is not possible, the government will take action to increase the minimum wage and offer Hondurans alternatives.

[Station announcer] This was an explanation by the Economic Cabinet of the economic package, the budget increase, and the stabilization of local currency.

Panama

38 Cuban Rafters Remain on Hunger Strike

PA0410044994 Panama City Circuito RPC Television in Spanish 2300 GMT 3 Oct 94

[From the "RPC Television News" broadcast]

[FBIS Translated Text] Some 38 Cuban rafters housed at Camp 1 at Empire Range remain on a hunger strike to demand a reply that will define their status. Luis Alberto Jimenez has this report:

[Jimenez] The more than 3,000 Cuban rafters housed on Panamanian territory left their country to search for true freedom. Although they are now far away from Fidel Castro and have a place to live, they believe that the human rights they all are entitled to have not yet been observed.

[Begin recording] [First unidentified Cuban rafter] Children, women, and old people should be taken to the United States; it will take some time for us men.

[Second unidentified Cuban rafter] We are defending our right; we are doing nothing but defending our right to freedom.

[Third unidentified Cuban rafter] We want someone to heed our demands. [end recording]

[Jimenez] On 29 September, 36 men and 2 women declared a hunger strike at Camp 1, because they have been housed there for 45 days and still do not know what will happen to them. Regla Bernabeu knows it is a difficult challenge, but she must face it, for everybody's sake. She said it is like defying the seas again.

[Begin Bernabeu recording] I do not think this place could house an army. We are in a golden cage, but birds sometimes need to fly. We want to fly and emigrate to the United States. [end recording]

[Jimenez] At the beginning, over 50 Cuban rafters declared a hunger strike, but some abandoned the strike for health reasons. The others maintained they will remain on strike until the end. Camp authorities have received no tangible replies form the U.S. State Department. Commissioner Pedro Reboredo visited the rafters and informed them of his attempt to help them. However, uncertainty prevails so far.

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Argentina

Buenos Aires Governor Wins Reelection Plebiscite

PY0310132294 Buenos Aires TELAM in Spanish 1039 GMT 3 Oct 94

[FBIS Translated Text] Buenos Aires, 3 Oct (TELAM)—Governor Eduardo Duhalde received more than 60 percent of the votes in yesterday's plebiscite in Buenos Aires Province, allowing him to stand for reelection in the elections scheduled for 14 May 1995.

The official count released early this morning indicates that, after counting 96.59 percent of the votes, the "Yes" alternative for reelection received 3,461,660 votes (60.94 percent) and the "No" alternative received 2,218,989 votes (39.06 percent).

The Gubernatorial Count Center [Centro de Computos] indicated that, of 28,702 authorized ballot tables, 27,724 were counted. The count center reported 98,909 blank votes, 99 invalid votes, and 19,971 disputed votes were also cast.

In his first public remarks, Duhalde said: "[Words indistinct] for the province to continue to advance despite the many problems that remain to be overcome."

Globally speaking, the plebiscite's outcome is an encouraging political step for the ruling party on the eve of the electoral process preceding the general elections scheduled for 14 May 1995.

Talking over a radio station to Duhalde, President Carlos Menem said: "This support for the governor also represents support for the current system" prevailing in our country.

The president lashed out at those who encouraged anti-Menem votes during the political campaigning. Menem noted: "This spectacular victory for Justicialism is also a victory for Duhalde and the system."

UCR [Radical Civic Union] leader Federico Storani was very satisfied. He emphasized that the plebiscite's outcome represents "a significant UCR rehabilitation and an honorable Grand Front [FG] effort."

FG leader Carlos "Chacho" Alvarez also stressed that the number of votes received by the "No" alternative strengthens the FG and indicate a "strong polarization" for the 14 May presidential elections.

Yesterday's plebiscite completed the Buenos Aires constitutional reform's process, complying with an institutional procedure established in one of the temporary provisions added to the new Buenos Aires Province Constitution.

Within the framework of an agreement between Justicialism and Modin [Movement for Dignity and Independence], which left the UCR-FG opposition in the minority during the Buenos Aires Provincial Constituent Assembly, a decision was made to call a plebiscite so that society could decide whether or not to enable Duhalde to seek reelection.

Menem Comments on Victory

PY0410010294 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1421 GMT 3 Oct 94

[FBIS Translated Text] Buenos Aires, 3 Oct (NA)—On 3 October, President Carlos Menem stated that some sectors of the opposition feel "a sort of hatred" for him. He also reiterated that he has already decided who his running mate will be, so he will not accept any suggestions whatsoever on this issue.

"I have become the target of all sorts of taunts. I have never hated or insulted anybody," he said. The president went on to say that there was a campaign against him, which, "at this juncture in our democracy, and given the freedom Argentines enjoy, is totally unjustifiable."

The head of state specifically referred to the opposition leaders Jose Octavio Bordon, Federico Storani, and Carlos "Chacho" Alvarez, who "campaigned (for the 'No' vote in the Buenos Aires Province plebiscite) against Menem rather than against Buenos Aires Province Governor Eduardo Duhalde."

Menem played down the importance of the number of votes the 'No' option obtained—nearly 40 percent—during the plebiscite, noting that "those were four parties that obtained 10 percent each." He flatly rejected the argument that those votes constituted a "vote of chastisement."

On the contrary, the head of state attributed the plebiscite victory in its entirety "to the Justicialist Party," although he then conceded that Duhalde's administration "had a great effect on the result."

Menem praised his running mate in the 1989 elections, noting that "he is the best governor of all times." Having obtained more than 60 percent of the vote in the plebiscite on 2 October, Duhalde managed to get the green light to run for the governorship a second time in 1995.

Commenting on the result of the plebiscite, the president insisted that "it is a projection of what may happen next year provided we continue to do things right."

Menem acknowledged that he had absolute confidence his party will win the 14 May elections in the first round.

Menem, speaking on the radio this morning, stressed that "there will not be a runoff; I am absolutely sure that we will be successful at the polls in the first round."

Commenting on the general elections, the president once again said that "Eduardo (Duhalde) is well aware that it is the president of the Republic who nominates the vice president." He nonetheless acknowledged that he will discuss the issue with Duhalde, since his opinions "have always carried and continue to carry great weight."

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By making this remark, however, the president brushed aside rumors that, owing to the strengthening of his position within the party following his success in the plebiscite, the Buenos Aires Province governor would be in a position to choose Menem's running mate.

On the contrary, Menem said that his running mate in the 1995 election "has already been nominated," and, without disclosing his name, he described him as "a skilled, courageous, and honest Peronist."

Menem said that the Justicialist Party will officially launch the election campaign "at the end of the year."

He confirmed that the Peronists will stage "a great rally" in the populous borough of La Matanza in Buenos Aires Province on 17 October to observe "Loyalty Day."

To conclude, Menem took the opportunity to plead in favor of the other three Peronist governors who still do not have the possibility of being reelected, namely, Carlos Reutemann (Santa Fe), Ramon Ortega (Tucuman), and Mario Moine (Entre Rios).

"Political rights are going wrong. The attitude adopted by some political sectors who ban them from seeking reelection is something revolting and inadmissible," he underscored.

Report on Seminar To Control Money Laundering

PY3009195694 Buenos Aires TELAM in Spanish 1914 GMT 28 Sep 94

[FBIS Translated Text] Buenos Aires, 28 Sep (TELAM)--International experts on the control of money laundering are meeting in our country. They today recommended a fundamental way to reduce the laundering of narcodollars by increasing controls on foreign capital investments.

The experts arrived at this conclusion during the final session of the "Banking Community Seminar on Measures to Control Money Laundering" which began on 26 September at the headquarters of the Drug Abuse Prevention and Antinarcotics Struggle Secretariat.

Secretariat head Alberto Lestelle said: "International controls on the laundering of trafficking money should be increased," but he admitted that "it is virtually impossible to eradicate it."

The experts stated: "Financial and bank entities must take measures against money laundering" to prevent traffickers from using these institutions to launder their profits.

Among the principal measures to be implemented by these agencies are the establishment of stricter internal controls, the search for information on clients, and the drafting of accurate transaction records.

The experts agreed on the need for ways to report on any transactions deemed suspicious and to train personnel on ways to combat the money laundering issue.

Secretary Lestelle said: "The avaricious entry of foreign capital without satisfactory controls is a mistake for which, in the long run, society will pay. It is a mistake that could eventually lead to the destruction of a democratic system."

Lestelle explained that about 80 percent of the money from the sale of narcotics—allegedly over $400 billion per year—is being laundered in various countries.

One of the outstanding proposals was "to enhance the training of banking personnel, not to make them a type of police force, but to promptly alert the authorities to any irregular investments."

Another conclusion of the seminar, in which lecturers from Brazil, Paraguay, Argentina, Uruguay, Chile, Spain, and the United States participated, involves the lifting of bank secrecy which exists in some countries to protect the identity of investors.

The lecturers emphasized: "Bank secrecy should not be seen as a way to avoid implementing the recommendations" agreed upon during the seminar held in Buenos Aires.

Another outstanding point involves asking international governments "to approve and enforce standard regulations on crimes linked to the illegal drug trade, and other related crimes."

This regulation has an international status. Among its articles are those covering money laundering, the identification of clients, full bank records, and the duties of authorities in each country.

The experts noted: "It is essential to develop a bilateral and multilateral cooperation network of specific actions to reach everywhere in the world" to prevent the laundering of narcodollars.

The experts also emphasized the need "for the Central Bank to increase its controls on the financial entities that it regulates," among them banks, financial companies, money exchange agencies, and other entities.

The seminar was organized by the Inter-American Committee for the Control of Drugs and Drug Abuse (CICAD), which is subordinated to the OAS and Lestelle's secretariat.

The outstanding lecturers included Rayburn Hesse from the Financial Action Task Force, Richard Small, Andreas Hubschmidt, John Ellis from the Bank of England, and Greg Passic from the DEA.

Non-Regular International Flights Authorized

PY3009221494 Buenos Aires TELAM in Spanish 1354 GMT 29 Sep 94

[FBIS Translated Text] Buenos Aires, 29 Sep (TELAM)--The Economy Ministry has authorized the Royal Class

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company to supply non-regular international air services, using small aircraft and without interfering with the services of regular companies.

The Royal Class company, owned by Lanolec, Inc., has been supplying non-regular domestic services since March 1993, and Resolution No. 1159/94, issued by the Economy Ministry and published in the BOLETIN OFICIAL today, extends the authorization to international passenger and cargo flights.

The Economy Ministry also authorized the company Michael's General Representation to operate as a non-regular agency to promote and market in our country the air transportation services of Eva Airways Corporation of Taiwan.

The Economy Ministry also authorized the company Sales and Services to represent the U.S. company Delta Airlines, but the authorizations depend, as established in Resolutions Nos. 1160/94 and 1161/94 published today, on a reciprocal attitude by the Taiwanese and U.S. Governments toward Argentine carriers.

Bolivia

Aranibar on Decision Not to Include Coca in UN Speech

PY0410035294 La Paz Television Nacional Network in Spanish 0100 GMT 4 Oct 94

[FBIS Translated Text] Foreign Minister Antonio Aranibar, who has just arrived from New York, where he attended the UN General Assembly session, has said that UN Secretary General Butrus Butrus-Ghali will visit Bolivia in 1995 on the occasion of the United Nations' 50th anniversary.

Moreover, the foreign minister explained why the issue of the decriminalization of coca was not mentioned in his UN General Assembly speech. He also referred to the Luis Garcia Meza extradition issue.

[Begin recording] [Gabriella Orozco] In his UN General Assembly speech, Foreign Minister Antonio Aranibar Quiroga discussed Bolivia's position on the Haitian conflict, on Mercosur [Common Market of the South], and on the government reforms, but the issue of decriminalization of coca, which had been previously announced, went unmentioned.

[Aranibar] On this occasion, this could have been an annoying issue that could have raised some controversies and also could have been counterproductive. In view of this, the president and I deliberately decided not to include this issue in my speech.

[Orozco] As for the [former Bolivian dictator] Garcia Meza issue, Foreign Minister Aranibar announced that at 1330 on 5 October, Brazil's Federal Supreme Court is scheduled to issue a final ruling on the dictator's extradition.

[Aranibar] According to what I have been told, there is pending a proceeding that may last, at the most, from five to seven days. Later, and in compliance with its request, the Bolivian Government will be able to implement the court's decision.

[Orozco] If the court's ruling is favorable, that is, if it approves Garcia Meza's extradition, the former dictator will arrive in Bolivia by the end of this month, at the latest. [end recording]

Justice Minister Views Changes in Judicial Branch

PY0310173694 La Paz HOY in Spanish 20 Sep 94 p 8

[Interview with Justice Minister Rene Blattmann by Jeannet Oporto in La Paz; date not given]

[FBIS Translated Excerpt] [Oporto] Where do you come from? Are you a militant in a political party?

[Blattmann] I am not affiliated with any political party. I was very surprised when I received the president's invitation to become a member of his cabinet. [passage omitted]

[Oporto] What, in your opinion, is the sore point of Bolivian justice?

[Blattmann] I think the sore point is a structural problem. There are regulations in the code of practice that must be adapted to the reality of a modern state.

The current system of justice is anachronistic, bureaucratic, and totally lacks administrative mechanisms to make it less cumbersome.

It also lacks openness. This is why we want to introduce oral trials, so that the judge comes face-to-face with the parties, avoids vagueness, and passes sentences based on solid evidence.

[Oporto] How can you explain the corruption in the judiciary?

[Blattmann] Corruption is a moral rather than a legal term. It is difficult to detect because it leaves neither receipts nor fingerprints. There is a generalized perception of corruption in the judiciary.

We must detect cases of corruption in the judicial branch. We will implement methods to implement greater control over judges.

[Oporto] Are you willing to catch the culprits red-handed?

[Blattmann] I am willing to put my shoulder to the wheel to change things. I believe there is broad consensus on the need to change this situation. We should take advantage of the political will and society's response.

For me it is most revealing that the minor change we proposed—the elimination of imprisonment for debts—should have had such an overwhelming support.

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I no longer feel like the Lone Ranger. The fact that there is a consensus makes one feel good and more willing to work.

[Oporto] Will this law help to improve the administration of justice?

[Blattmann] Yes, this law will fight corruption because law suits for collection encouraged the bribing of officials.

I think we are enhancing justice because those who have served their sentences will be reintegrated into society instead of being held behind bars, and we will no longer use state mechanisms as agencies to collect debts. [passage omitted]

[Blattmann] Are you alone in this fight against those who oppose the establishment of a truly just and expeditious justice?

[Oporto] I believe any change, like that demanded by society in the judicial and courts system, is traumatic. There will always be those who oppose it because the system allowed them to live happily and comfortably with the violation of human rights. Any change will prompt negative reactions. [passage omitted]

[Oporto] What is your relationship with the president?

[Blattmann] The president is happy with the Justice Ministry, he believes the reforms are necessary, he enthusiastically promotes any changes, he likes and supports the mechanism of justice. He always says he is a frustrated attorney, that he enjoys anything to do with justice, with the philosophy of freedom.

I enjoy great support, which is very encouraging.

During the cabinet meetings, the president proposes sensible solutions, I learn a lot from him. Sometimes I am impulsive but I feel at ease with him.

President's Governing Style, Personality Evaluated

94P21213

[FBIS Media Note] His private secretary, allied and opposition party heads, labor leaders, and businessmen have in recent interviews characterized President Gonzalo Sanchez de Lozada as a stubborn man, single-minded in the pursuit of his goals, and able to win over people to his cause. He was also seen as a man unwilling or unable to delegate responsibilities and having trouble communicating with colleagues and with the people. As a result of his U.S. education and upbringing, some see him as "insecure" because his "Anglo-Saxon logic" and pragmatism conflict with the mentality of his countrymen who demand immediate answers to daily needs. Nevertheless, the president is more popular than his government as a whole, according to the recent poll conducted by Catholic University of Bolivia (UCB).

Private Secretary, Allied Parties

Irving Alcaraz, the president's private secretary and member of the presidential advisory team since 1988, said Sanchez de Lozada followed a hectic schedule which often did not end before midnight and included Saturdays. Alcaraz mentioned "tenacity" and "creativity," as well as an ability to "inspire supreme loyalty in others," as Sanchez de Lozada's most salient qualities. The president, continued Alcaraz, was good at surrounding himself with specialists and experts when he wanted a specific thing accomplished but when substantial issues were at stake, such as the new Capitalization and Popular Participation Laws, his "need to be involved in the whole process" prevented him from delegating authority. Furthermore, the secretary added, Sanchez de Lozada got involved in things that should be left to his subordinates, such as trying to explain to the people various issues related to the reforms. This kind of thing should not happen, said Alcaraz, if an "appropriate communications policy existed at the executive level." As a result, he observed, the government has "been unable to communicate to the people exactly what it is doing." However, he noted, it was not the lack of communication between government and the people that has led to a decline in the president's popularity but the fact that the promised creation of 500,000 jobs at a rate of 70,000 per year has not been realized overnight. Alcaraz said that the president was very much aware of the polls and was confident that his popularity rating would go up again.

Guillermo Bedregal of the Nationalist Revolutionary Movement (MNR), ruling party of the government coalition, and "lifelong friend," characterized the president as a "Hamlet," possessing a "mad genius," exacerbated by perfectionism and an "often inappropriate" sense of humor. While the government was asking the question "to be or not to be," according to Bedregal, "the Bolivian people were demanding action." Bedregal listed positive aspects of the president's personality as intelligence, imagination, loyalty to his party and ideas, and his "ability to accept constructive criticism." Capriciousness, arrogance, and the inability to delegate responsibilites were some of the negative characteristics cited by this official in describing Sanchez de Lozada.

Opposition

Jorge Quiroga, opposition Nationalist Democratic Action party leader (ADN) leader, believed that the people's confidence in President Sanchez de Lozada has eroded because the image he projected was one of "conceit." According to Quiroga, the president "is arrogant, accumulates power for himself, does not listen or accept criticism from anyone, and even insults the church." "He is surrounded by inefficient people," continued Quiroga because no one can "take a step without being in the president's good graces." Meanwhile, Quiroga asked, who is governing "while the president is doing everything?"

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Ricardo Paz, leader of the opposition Conscience of the Fatherland (CONDEPA), said that President Sanchez de Lozada did not suit the Bolivian mentality because he thought in English and acted like an "Anglo-Saxon." Furthermore, he continued, the president's propensity for telling jokes only masked his insecurity, which was reflected in his inability to delegate responsibilities and in his authoritarianism. On the other hand, according to the CONDEPA leader, the president's virtues were frankness, willingness to learn, courage, and family devotion.

Democratic Socialism Alternative (ASD) Deputy Jerjes Justiniano said that Sanchez de Lozada was a man in constant confrontation with the people because of his "reluctance to change his mind and accept other ways of doing things." His singlemindedness and demanding attitude in carrying out what he thought were urgent and needed tasks for the country were a reflection of his U.S. education and the fact that he was a businessman, according to Justiniano. Regarding the new Capitalization and Popular Participation Laws as well as the Education and Constitutional Reform bills, the deputy explained that the president has brought about a "revolution by decree," adding that the Sanchez de Lozada has been unable to convince the Bolivian Labor Federation (COB), the magistrates, the universities, or private enterprise of the necessity of implementing these new laws.

Labor, Business

The president of the Confederation of Private Businessmen of Bolivia, Carlos de Chazal, believed that the president, at the end of his first year, has proven himself a "creative" leader but not an "administrator," and has shown that he cannot delegate responsibilities to ministers and secretaries. This, according to Chazal, has led to a certain slowness in implementing measures proposed by his organization, such as for housing and jobs.

Mining union leader Victor Lopez believed that the president managed the country like a businessman rather than like a statesman who must deal with a nation with a "plurality of thoughts, opinions, and ideas." "His style is much like that of a dictator," continued Lopez, "who demands that a law be approved and passed no matter what." Juan de la Cruz Villca, of the Bolivian Labor Federation (COB), predicted that the president would "get blood on his hands" at the end of this term because of his aggressive campaign against coca growers, exemplified in the recent counternarcotics operation "New Dawn."

The People

Carlos Salinas, director of the polling institute at UCB, observed that while Sanchez de Lozada may have lost popularity, he is still more popular than other government officials. Respondents to the 23 July Catholic University of Bolivia poll said that the president was more "efficient" and "trustworthy" than other individuals in his administration, and that although one of the main faults of the government was a lack of communication with the people, Sanchez de Lozada made himself "accessible" by appearing on television to explain the current reforms.

Brazil

Ibope's Exit Poll Indicates Cardoso Winning

PY0410011194 Rio de Janeiro Rede Globo Television in Portuguese 0030 GMT 4 Oct 94

[FBIS Translated Text] You will now hear the figures of the Brazilian Public Opinion and Statistics Institute, Ibope, exit polls for the presidential elections:

Presidential candidate Fernando Henrique Cardoso has 46 percent of the votes; Luiz Inacio Lula da Silva, 23 percent; Eneas Carneiro, 6 percent; Orestes Quercia, 4 percent; Leonel Brizola, 3 percent; Esperidiao Amin, 2 percent; and Carlos Gomes, 1 percent of the votes. Blank and void votes total 15 percent. Admiral Fortuna was mentioned in the poll, but had less than 1 percent of the votes.

According to Ibope, Cardoso has 7 percent more votes than all other candidates together. This means that there will not be a runoff.

We will now hear Joelmir Betting's report:

[Betting] Here, next to us, is Ibope Executive Manager Carlos Augusto Montenegro. How did the Ibope reach these exit poll showings?

[Montenegro] This is the largest electoral poll ever conducted in Brazil. Six hundred Ibope interviewers have interviewed 52,000 voters in 430 counties of the 27 Brazilian states.

[Betting] Can this poll be considered as a definitive indicator of what the poll showed?

[Montenegro] Yes, according to Ibope, the new Brazilian president is Senator Fernando Henrique Cardoso. He will receive from 4.5 million to 6.5 million more votes than all other candidates in this election combined.

PSDB Exit Poll Gives Cardoso 7 Percent Lead

PY0310214694 Sao Paulo AGENCIA ESTADO in Portuguese 2053 GMT 3 Oct 94

[FBIS Translated Text] Brasilia, 3 Oct (AE)—The campaign committee of PSDB [Brazilian Social Democracy Party] presidential candidate Fernando Henrique Cardoso this afternoon informally disseminated early projections of exit polls, which show Cardoso maintaining a seven percentage point lead over all the other candidates. According to these projections, Cardoso obtained the votes of undecided voters.

Cardoso's advisers have noted that according to these polls, PT [Workers Party] presidential candidate Luiz Inacio Lula da Silva did surprisingly well in Rio Grande

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do Sul State and in Federal District of Brasilia, where he obtained a comfortable lead over Cardoso. These polls also show that Prona [Party for the Redefinition of National Order] candidate Eneas Carneiro obtained fewer votes than predicted by earlier polls.

Workers Party Exit Poll Results Released

PY0410020694 Sao Paulo AGENCIA ESTADO in Portuguese 0048 GMT 4 Oct 94

[FBIS Translated Text] Sao Paulo, 3 Oct (AE)—A Workers Party [PT] exit poll, which was conducted in the 10 most inhabited states of Brazil, shows that Fernando Henrique Cardoso—presidential candidate for the Brazilian Social Democracy Party—will have 2.8 percent more votes than all the other presidential candidates together. This was reported by PT Vice President Luiz Eduardo Greenhalgh. According to him, the difference is within the expected margin of error in calculating Cardoso's possibilities of winning the election in the first round. PT President Rui Falcao has admitted that the PT conducted the poll, but asserted that he did not have access to the poll results.

TSE To Start Vote Count at 1100 GMT on 4 Oct

PY0410050594 Rio de Janeiro O GLOBO in Portuguese 3 Oct 94 p 8

[By Ana Paula Macedo]

[FBIS Translated Text] Brasilia—The Superior Electoral Court [TSE] is betting all its chips on the vote computation system set up for this election. The vote count will start at 0800 [1100 GMT] on 4 October and the TSE expects to be able to issue reports every 30 minutes beginning at 1200.

According to experts, the system is equipped with mechanisms designed to prevent any form of fraud.

Joao Bosco, an expert of the National Institute of Space Research (INPE), who is in charge of the system, said: We cannot allow any clandestine feeding of figures to the server. We have purchased a safety system that prevents unauthorized accesses to the server.

The TSE will be charged with counting the major elections; that is, the presidential, gubernatorial, and senate elections. The entire data transmission system has been automated.

Partial tallies of 283,544 electoral districts of the 26 states and the federal district will transmitted to the TSE from 1,700 locations.

The data transmitted will first be sent to regional electoral courts and from there to the TSE computer center. The vote count of proportional elections (those for state and federal deputies) will be exclusively handled by regional electoral courts.

Ibope Exit Poll on Gubernatorial Elections

PY0410051094 Rio de Janeiro Rede Globo Television in Portuguese 0122 GMT 4 Oct 94

[FBIS Translated Excerpt] We are back with Brazilian Public Opinion and Statistics Institute, Ibope, exit poll results on the gubernatorial elections in 13 states [figure as heard]. To analyze these figures, we have here at the studio commentators Alexandre Garcia, Joelmir Beting, and Ibope Director Carlos Augusto Montenegro, while Lilian Witte Fibe is at the Rede Globo Television studios in Sao Paulo. [passage omitted]

We will now report the Ibope exit poll results in three northeastern region states. The first is Maranhao State: PFL [Liberal Front Party] candidate Roseana Sarney comes first, with 40 percent of the votes; PPR [Progressive Renewal Party] candidate Epitacio Cafeteira comes second, with 22 percent; PDT [Democratic Labor Party] candidate Jackson Lago comes third, with 13 percent; and PSTU [Unified Socialist Workers Party] candidate Francisco das Chagas comes fourth, with 1 percent. Blank and void votes in Maranhao State total 24 percent.

Now, we will see the Ibope exit poll results for Ceara State: PSDB [Brazilian Social Democracy Party] candidate Tasso Jereissati comes first, with 47 percent; PMDB [Brazilian Democratic Movement Party] candidate Juraci Magalhaes comes second, with 32 percent; PT [Workers Party] candidate Joaquim Cartaxo and PSTU candidate Rosa da Fonseca come third, with 2 percent; and PRONA [Party for the Redefinition of the National Order] candidate Evaldo Costa Lins comes fourth, with 1 percent. Blank and void votes in the state total 16 percent.

These are the Ibope exit poll results for Pernambuco State: PSB [Brazilian Socialist Party] candidate Miguel Arraes comes first, with 45 percent of the votes; PFL candidate Gustavo Krause comes second, with 23 percent; PMDB candidate Cid Sampaio comes third, with 5 percent; PSTU candidate Joaquim Magalhaes comes fourth, with 2 percent; and PRN [National Reconstruction Party] candidate Fernando Pinto and PTB candidate Homero Lacerda come fifth, with 1 percent of the votes. Blank and void votes total 23 percent.

Ibope has interviewed 9,100 voters in the states of Ceara, Maranhao, and Pernambuco. [passage omitted]

Now, the Ibope exit poll results for the states of Alagoas and Bahia. In Alagoas, figures are as follows: PMDB candidate Divaldo Suruagy has 67 percent of the votes; second comes PP [Popular Party] candidate Pedro Vieira, with 7 percent; and PSB candidate Marcos Vieira and PP candidate Pedro Vieira [names as heard] come third, with 3 percent of the votes. Blank and void votes in the state total 20 percent.

In Bahia, PFL candidate Paulo Souto has 38 percent of the votes, PMN [National Mobilization Party] candidate Joao Durval has 17 percent, PSDB candidate Jutahy

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Magalhaes has 13 percent, PMDB Nilo Coelho has 5 percent, and PRN candidate Alvaro Martins has 1 percent. Blank and void votes total 26 percent. [passage omitted]

Ibope interviewed 2,800 voters in the states of Bahia and Alagoas.

Ibope exit poll results for the southern states are as follows:

Rio Grande do Sul—PMDB candidate Antonio Britto comes first, with 42 percent; PT candidate Olivio Dutra comes second, with 30 percent; PPR candidate Celso Bernardi comes third, with 7 percent; PDT candidate Sereno Chaise comes fourth, with 5 percent; and PRONA candidate Irapua Teixeira comes fifth, with 1 percent. Blank and void votes in the state total 15 percent.

Santa Catarina—PPR candidate Angela Amin has 38 percent, PMDB candidate Paulo Afonso Vieira has 28 percent, PFL candidate Jorge Bornhausen has 11 percent, and PDT candidate Nelson Wedekin has 8 percent, while blank and void votes total 15 percent.

Parana—PDT candidate Jaime Lerner comes first, with 45 percent; PP candidate Alvaro Dias comes second, with 34 percent; PT candidate Jorge Samek comes third, with 4 percent; and PRN candidate Rosemary Kredens and PL [Liberal Party] candidate Jose Cardoso come fourth with 1 percent. Blank and void votes total 15 percent.

Ibope has interviewed 11,000 voters in Rio Grande do Sul, Santa Catarina, and Parana. [passage omitted]

We will now hear the Ibope exit poll results for Amazonas State and the Federal District, DF:

In the DF, PTB candidate Walmir Campelo comes first, with 35 percent; PT candidate Cristovam Buarque comes second, with 30 percent; PSDB candidate Maria Abadia comes third, with 18 percent; PDT candidate (Paulo Tim) and PRONA candidate (Ildeu Alves) come fourth, with 1 percent; and blank and void votes total 15 percent.

In Amazonas State, PPR candidate Amazonino Mendes has 55 percent of the votes, PL candidate Nonato Oliveira has 23 percent, and PT candidate Aloysio Nogueira has 7 percent. Blank and void votes total 15 percent.

In Amazonas State, the Ibope interviewed 2,000 voters and in the Federal District it interviewed an equal number of voters. [passage omitted]

We will now listen to the Ibope exit poll results for the sourtheastern states: In Minas Gerais, PP candidate Helio Costa comes first, with 39 percent; PSDB candidate Eduardo Azeredo comes second, with 19 percent; PT candidate Carlos Pereira, aka Carlao, comes third, with 8 percent; PMDB candidate Jose Alencar comes fourth, with 7 percent; and (Ezio Cuaresma) of the Social Democracy Party [PSD], (Cleo Berdaseco) of PRONA, and Herbert Pessoa of the Social Christian Party tie in fifth place with 1 percent. Blank and voided ballots totaled 24 percent.

Herewith the exit poll on the gubernatorial race in Sao Paulo State: According to Ibope, PSDB candidate Mario Covas comes first, with 40 percent; PDT candidate Francisco Rossi comes second, with 15 percent; PT candidate Jose Dirceu comes third, with 12 percent; PMDB candidate Barros Munhoz comes fourth, with 10 percent; PP candidate Luiz Antonio de Medeiros comes fifth, with 2 percent; and PRONA candidate Alvaro Brandao comes sixth, with 1 percent. Blank and voided ballots totaled 20 percent in Sao Paulo State.

We will now give you exit poll figures on the state of Rio de Janeiro. According to the Ibope survey, PSDB candidate Marcello Alencar obtained 29 percent; PDT candidate Anthony Garotinho comes second, with 26 percent; PSD candidate Newton Cruz comes third, with 11 percent; PT candidate Jorge Bittar comes fourth, with 9 percent; PMDB candidate Milton Goncalves comes fifth, with 3 percent; and PRONA candidate Paulo Santoro and PSC candidate Ronaldo Assaro tie in sixth place, with 1 percent. Blank and voided ballots in Rio de Janeiro State totaled 20 percent.

Runoff Expected in Sao Paulo Governor's Race

PY0410023194 Sao Paulo AGENCIA ESTADO in Portuguese 0059 GMT 4 Oct 94

[FBIS Translated Text] Sao Paulo, 3 Oct (AE)—The exit polls conducteú by Gallup, Ibope [Brazilian Public Opinion and Statistics Institute], and DataFolha today point to the need for a runoff election in Sao Paulo's governor's race. These are the results:

	Percentages		
	Gallup	DataFolha	Ibope
Mario Covas (PSDB)	42.3	38	40
Francisco Rossi (PDT)	17.2	17	15
Jose Dirceu (PT)	12	13	12
Barros Munhoz (PMDB)	11.4	9	10
Luiz Antonio de Medeiros (PP)	1.8	2	2
Blank and null votes	14.2	19	20
Others	1.1	1	1
Difference	1.2	4	0

The difference in percentage points results from comparing the percentage obtained by the leading candidate

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with the sum of the votes for all other candidates. This difference points to the need for a runoff in the state, even considering the survey's margin of error.

[Expansions for political parties mentioned next to candidates' names are as follows: PSDB—Brazilian Social Democracy Party; PDT—Democratic Labor Party; PT—Workers Party; PMDB—Brazilian Democratic Movement Party; PP—Popular Party]

Link Between Leftist, 'Jackal' Examined

94WR0248A Sao Paulo ISTOE in Portuguese
24 Aug 94 pp 92-94

[Article: "The Brazilian Jackal," by Jayme Brener and Marco Brando, writing from Milan]

[FBIS Translated Text] Carlos the Jackal—or rather, the Venezuelan super-terrorist Illitch Ramirez Sanchez, who was arrested in the Sudan and extradited to France on Monday 15 August—had a Brazilian version. That "Carlos da Silva" as we shall call him, was Rio Grande do Sul native Antonio Expedito Carvalho Perera, a former activist in the Revolutionary Popular Vanguard (the VPR, former Captain Carlos Lamarca's group). Perera was one of the Jackal's closest companions, a man with whom he carried out several armed actions during the 1970's and who has been missing since the middle of that decade. ISTOE located someone who is thought to be Antonio Expedito, living under another name—Paolo Parra—in Milan. "I am not Perera; that is a big mixup that got started in the 1980's when I was working for the UN and used to travel a lot," said Parra, who has been identified by Brazilian intelligence services as being Antonio Expedito. "I arrived in Italy in 1981, I always worked for NGO's [Nongovernment Organizations], and I have never been near Carlos," he insisted.

"As soon as I saw Paolo Parra, I was certain he was Antonio Expedito Perera, even though I have only a very old photograph of him, from the 1970's, said Italian journalist Marco Brando, who was in charge of the Milan bureau. "The physical resemblance is very strong," he added. Parra, who is also Brazilian, is said to have been born on 6 January 1930—very close to January 1931, when Antonio Expedito was born in the port city of Itaqui.

If Perera has become Parra, it has been an almost complete transformation, starting with his political positions. Perera was a fervent proponent of the armed struggle. Paolo Parra, according to Brazilians who lived in exile in Milan, participated—early in the 1980's—in movements close to the Italian Communist Party, which opposed guerrilla warfare. The Brazilian Carlos was a lawyer. Paolo Parra is a psychologist and, with a group of Italian partners, directs a mental health center in Sassari, in Sardinia. The Italian tax authorities have Parra registered as a self-employed individual who said that in all of 1991 he earned only 8.64 million lira, the equivalent of $6,000. Despite those slim figures, since June 1990 Parra has owned a BMW 2000, license plate MI K51635.

Antonio Expedito Perera, whether or not he is Paolo Parra, has had a rather checkered career. He started practicing law while still living in southern Brazil and, in the 1960's, began accepting cases on behalf of prisoners and people who were being persecuted for political reasons. Among them was Carlos Lamarca. This aroused his sympathy for the VPR guerrillas. Perera moved to Sao Paulo, where the VPR had more solid support. His house in the Pinheiros neighborhood was used for meetings of the group's leaders. It was by monitoring one of those meetings that the police caught up with Perera in 1969. "As far as I know, he did not have much influence within the VPR," recounted reporter Shizuo Osawa, aka "Mario Japa," a former leader in the organization.

Tortured, as were many political prisoners during the military regime, Perera benefitted from the kidnapping of the Swiss ambassador in Brazil, Giovanni Enrico Bucher, in 1970. The *gaucho* militant was on the list of prisoners exchanged for the ambassador. "I think it was the fact that he had worked as Lamarca's attorney that led to the inclusion of his name," Osawa said.

Antonio Perera and the other 69 leftists released were granted political asylum in Chile. "I met him there and was impressed with his self-confidence. He was always in charge of negotiations with the Chilean government when that was necessary," recalls Sidney de Miguel, also a former VPR activist and now a deputy representing Rio de Janeiro for the PV [Green Party]. "Perhaps because he was a lot older than most of us, he exhibited incredible serenity. He was talkative, charming, the kind of guy who can keep his cool in the middle of a shootout," the deputy concluded.

Sidney de Miguel is one of the only voices from among his former comrades in guerrilla activities to express sympathy for Antonio Perera. "He used to say he was the VPR's representative abroad, which he never was. He collected money but no one knew what happened to it," reports a former leader who did not want to be identified. Another VPR *comandante* spoke even more acidly: "Perera had only two interests, money and women." Incidentally, these are pleasures that also enchanted Carlos the Jackal. "He used the charm of a Latin American revolutionary to seduce women. One day he even asked me for some guns so he could 'show off' for friends," said the former leader, who, when he left the VPR, turned over the organization's money to Perera and former Sergeant Onofre Pinto. The transfer took place in Algeria in 1971, and Onofre Pinto disappeared shortly afterward. The VPR itself would not live long.

The twists and turns of Antonio Perera's life led, in subsequent years, to Europe, where he was always surrounded by beautiful women, such as the actress Norma Bengell. He continually introduced himself as a judge. In 1972, he was still in contact with the countless little armed groups of Brazilians in exile. "I even supplied

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(fake) Uruguayan passports to Perera," recalls reporter Joao Bosco Feres, a former VPR sympathizer who has been living in Holland since the 1970's. The ultraliberal Dutch laws facilitated travel by terrorists from several countries. "Everyone knew then that Perera had been keeping in touch with Palestinian organizations, and possibly with the Japanese Red Army and the German Red Army Faction," said Feres. Perera tried, for example, to recruit a Dutch journalist for a "training period" in Saddam Hussein's Iraq.

According to David Yallop, a British journalist who, after years of trying, managed to interview Carlos the Jackal for his book entitled *Ate o fim do mundo* [presumed English title "Until the End of the World"], while in France Antonio Expedito Perera became one of the chief collaborators of Illitch Ramirez Sanchez, commander in Europe of the Palestine Liberation People's Front. During business hours, Perera was supposedly the mild-mannered manager of the Lignel art gallery, in Paris. After closing time, he readied his weapons. Alongside Carlos, the Brazilian attorney is said to have taken part in the 1974 occupation of the French Embassy in Amsterdam. The objective of that action was to free Yoshiaki Yamada, a *courier* in the Japanese Red Army who was in jail in France. In exchange for the lives of 11 hostages, Yamada was released and allowed to reclaim his papers. He also picked up $300,000. A plane carrying the kidnappers, plus Yamada, landed in Syria, whose government confiscated the money.

Little is known about Antonio Expedito's life since then. His wife, Nazare Oliveira Perera, and his daughter, Tereza Cristina, have had no further contact with him. If the Brazilian (and *gaucho*) Carlos really is Paolo Parra, what is most likely is that—having broken with the Jackal and the guerrilla lifestyle—he has made overtures to the "pacifist" line of the communist parties. Parra, then associated with the Italian Communist Party, was dispatched in the mid-1970's to the School for Cadres operated by the Soviet Communist Party. "In Moscow, my husband and I knew Paolo and his wife Amanda very well," Maria Prestes, widow of communist leader Luis Carlos Prestes, told us.

Although the trail of Antonio Expedito Carvalho Perera has gone up in smoke, back in Italy Paolo Parra has been living very well for 15 years. Perera's family, who has not seen him since he was swapped for the Swiss ambassador 24 years ago, continued to receive occasional messages. "From time to time we would get unsigned postcards from all sorts of places in the world," said Maria das Gracas Perera, sister of Antonio Expedito and also an attorney. She made a point of saying: "I am very proud of my brother." The postcards stopped coming in 1982.

Now, just when the Venezuelan Jackal has surfaced—in Cell No. 258187 of Sante prison in Paris—the disappearance of Antonio Expedito is the subject of a legal dispute. Daughter Tereza Cristina has filed suit to have him declared dead. If that happens, his daughter—and heiress—will be able to sell a house owned by Perera in Porto Alegre where his parents, now in their 80's, are living. The lower court judge denied her petition. This means that, officially, Antonio Expedito Carvalho Perera, former attorney for political prisoners who became a partner of Carlos the Jackal, is not dead. If he really is Paolo Parra, well that's a different problem.

Labor Court Declares Oil Workers Strike 'Illegal'

PY3009195294 Sao Paulo AGENCIA ESTADO in Portuguese 1521 GMT 30 Sep 94

[FBIS Translated Text] Brasilia, 30 Sep (AE)—In a ruling handed down on the oil workers collective labor dispute, the Superior Labor Court [TST] today declared the oil workers' strike to be illegal. In a seven-four decision, the TST also ruled that the Brazilian Petroleum Corporation does not have to pay the workers for those days they failed to report to work. The ruling on this point of the dispute was already concluded, but the TST will convene again at 1330 today to examine the social clauses of the dispute.

Foreign Minister Views Mercosur-EU Talks, Haiti

PY0310131494 Sao Paulo GAZETA MERCANTIL in Portuguese 29 Sep 94 pp 1,3

[Article by Getulio Bittencourt, in New York]

[FBIS Translated Text] The meeting of Mercosur [Common Market of the South] and European Union (EU) representatives on 28 September produced a concrete result: The start of joint consultations toward the signing of a memorandum of understanding at the end of the year, to confirm their interest in an agreement between these economic groups.

During a news conference at the headquarters of the Brazilian mission to the United Nations, Brazilian Foreign Minister Celso Amorim said yesterday afternoon: "We touched on how the agreement will be implemented," adding: "It may be in the form of a commercial and cooperation agreement, or a free-trade agreement, but this depends on the negotiations."

Amorim said the four Mercosur foreign ministers briefed the EU troika, which is currently headed by Germany, on the latest decisions within Mercosur. Because of its regional nature, the meeting was also attended by former Netherlands Minister Van der Brook, the EU foreign affairs secretary, who supported the proposal for a memorandum of understanding.

Jose Arthur Denot Medeiros, who accompanied Amorim at the meeting, said yesterday's meeting forms part of a series that began in Sao Paulo in April 1994, with a meeting by the Rio Group—which gathers Latin American countries. The Mercosur representatives then held a separate meeting with the EU troike.

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Next came a statement issued in Corfu in June during a meeting of European governors, which is convened every six months. The European chiefs of state then expressed their desire to promote relations with Latin America, specifically mentioning—for the first time—Mercosur, which as of January will open its internal custom borders.

The next step came at the Mercosur presidential summit in early August in Buenos Aires. In their closing statement, the presidents said Mercosur is also interested in promoting relation with the EU.

Following the United Nations' meeting yesterday, the Europeans began to prepare to issue a strategic document that will be submitted to the European Council in November, and to the Council of Ministers in December. The document will mention the desire to negotiate with Mercosur.

"The long-term objective is to sign a free-trade agreement," Denot Medeiros explained. "No date has yet been set. Brazilian and German representatives, who currently hold the six-monthly presidential post of each group, will draw up the memorandum of understanding at the end of the year."

Over the past five days, Foreign Minister Amorim held 30 bilateral meetings with counterparts of other nations. He emphasized the talks with the representatives of China, Canada, and India, countries with which Brazil coincides. In the case of Canada and India, Amorim explored the possibilities for a bilateral agreements with Brazil or regional agreements with Mercosur.

Amorim also corrected a statement attributed to Argentine President Carlos Menem that 3,000 Brazilian soldiers are ready to serve in Haiti. "I respectfully suggest President Menem has not been properly informed. The Brazilian Government currently does not intend sending troops to Haiti," he said.

The grounds for this position is Brazil's position of upholding the principles of self-determination and nonintervention. He explained: "Brazil wants a constitutionally elected government installed and the coup-makers ousted, but we believe this can be achieved without the use of force," adding: "From Brazil's point of view, the presence of 15,000 soldiers of a foreign power on Latin American soil is not good."

Amorim said he talked with his Canadian counterpart Alain Jupre, who agrees with Brazil that Cuba should rejoin world policy. At a lunch hosted by the United Nations secretary, Amorim heard representatives of former USSR countries say they are reconsidering their position on Cuba. Earlier they had been very hostile to the communist island, as a reaction to their own previous situation.

Chile

Defense Minister Visits PRC, Meets Li Peng

PY0310200394 Madrid EFE in Spanish 1817 GMT 30 Sep 94

[FBIS Translated Text] Beijing, 30 Sep (EFE)—According to official sources, Chilean Defense Minister Edmundo Perez Yoma today met with PRC Premier Li Peng.

During the meeting the PRC premier referred to the constant development of the relationship between the two countries since it was established 24 years ago.

Li added that there are also solid grounds for the development of economic and commercial cooperation ties.

Perez Yoma, who will return to Santiago on 1 October after paying an official visit to the PRC that began on 25 September, conveyed to Li Peng a message of greetings from Chilean President Eduardo Frei Ruiz-Tagle to his PRC counterpart Jiang Zemin.

The Chilean defense minister reminded Li that Chile was the first Latin American country to establish relations with the PRC, and voiced his hope that the pace of economic cooperation between the two countries will speed up.

Li's wife and PRC Defense Minister Colonel Chi Haotian also attended the meeting.

The Chilean defense minister was accompanied by representatives of the Chamber of Deputies, the Navy under secretary, the national defense chief of staff, and Foreign Ministry authorities.

Perez Yoma's visit is in return for that paid to Chile by Chi Haotian in March.

The Chilean minister also met with the PRC premier, with PRC Chief of Staff of the People's Liberation Army General Zhang Wannian, and with Chi himself.

The Chilean delegation, headed by Perez Yoma, visited the city of Xi'an, 1,000 southwest of Beijing.

This city was also visited by the delegation headed by Chilean Agriculture Minister Emiliano Ortega Riquelme, who arrived in Beijing on 24 September and is leaving the PRC on 1 October.

Visits Israel; New Accords Envisioned

PY0410102294 Madrid EFE in Spanish 1618 GMT 3 Oct 94

[FBIS Translated Text] Jerusalem, 3 Oct (EFE)—The visit to Israel of Chilean Defense Minister Edmundo Perez Yoma foresees new military agreements between the two countries and will strengthen those ties that have prevailed since the years of General Augusto Pinochet's government.

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Chilean Armed Forces officials told EFE today, 3 October, that Minister Perez Yoma and his Israeli counterpart Yitzhaq Rabin, who is also the Israeli prime minister, held "preliminary talks" this morning in preparation for new agreements.

"We have imported technology such as, for instance, the 'Condor' radar-planes" mounted by the Israeli Aeronautics Industry (IAI) on Boeing planes, "and we are purchasing rocket and missile technology," Perez Yoma told reporters after a luncheon given by Rabin in Jerusalem.

The Chilean Armed Forces are interested "in everything Israel can export and has already exported not only to Chile, but to many Latin American countries," the minister added.

Perez Yoma arrived last night together with his wife, National Defense Chief of Staff Admiral Jorge Arancibia Reyes, and Jaime Acuna, delegate of the Chilean Foreign Ministry.

The Israeli "Condor," according to Perez Yoma, "will allow us, above all, to control the fishing fleets from different countries, including those of Latin America, which operate off the 5,000 kilometers of Chilean coast, and which in many cases violate fishing licenses" granted by Chilean officials.

"I thank God for not having such long borders as Chile," the Israeli prime minister said during dessert after the luncheon he hosted, recalling that in 1969 Chilean military officials invited him to lecture in Santiago on his experience as general of the Israeli Armed Forces.

The Chilean minister agreed with Oded Ben-'Ami, press adviser of the Israeli prime minister, who reported that "no contracts were signed" during today's meeting at the Defense Ministry in Tel Aviv.

When asked about current ties between former President Pinochet and Israel, and especially with the military industries, Perez Yoma told the reporters that "countries have only one history, and this is above their governments."

"We are very grateful because for some time (during the years of General Pinochet's government), Chile has been very isolated internationally and Israel has helped us," the minister said. "And although the governments have changed, it is appropriate to be thankful," he added.

When asked "whether it is difficult to be chief of General Pinochet," who is still on active duty, the defense minister said: "It is a unique experience, difficult and good.... But General Pinochet has demonstrated that he is willing to respect civilian power."

Perez Yoma reported that when he concludes his three-day visit to Israel on 5 October, prior to returning to Santiago, he will visit Lebanon to receive a decoration in Beirut.

Sentences Increased in Killings of Communists

PY0310202394 Madrid EFE in Spanish 2128 GMT 30 Sep 94

[FBIS Translated Excerpt] Santiago, 30 Sep (EFE)—The Santiago Appellate Court today increased from three to six the life imprisonment sentences against five former Carabineros officers and one civilian charged with murdering three Communist leaders in 1985.

In a unanimous ruling on the case known as the "slain" Communists who had their throats cut due to the way they were murdered, the Fourth Chamber of the Appellate Court confirmed and increased the sentences passed down on 31 March by trial Judge Milton Juica, which had prompted serious disagreements between the government and the Carabineros.

In this case a total of 15 former Carabineros officers and one civilian were sentenced. They all belonged to the Carabineros Communications Directorate (Dicomcar), a kind of secret political police.

One of the changes in this new ruling is that the 18-year imprisonment sentence against civilian Miguel Estay Reyno, aka "El Fanta," a former Communist who became a Dicomcar agent, was increased to life imprisonment.

Another former Carabineros noncommissioned officer, Jose Fuentes Castro, sentenced to 18 years imprisonment, will now serve a life sentence just as will former noncommissioned officer Claudio Salazar.

The life imprisonment sentences for former Dicomcar operations chief, retired Major Guillermo Gonzalez Betancourt, retired Captain Patricio Zamora Rodriguez, and retired Noncommissioned Officer Alejandro Saez Mardones have not been altered.

Shortly after Milton Juica's ruling was made public in March, Chilean President Eduardo Frei himself asked Carabineros Director General Rodolfo Stange to resign for "ethical and moral" reasons on 5 April. Stange refused to step down, stating that according to the 1980 Constitution he was entitled to remain in this post until 1997. [passage omitted]

Colombia

Police Form Search Blocs in Pursuit of Traffickers

PA3009042894 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 1730 GMT 28 Sep 94

[From the "Midday Television Newscast"]

[FBIS Translated Text] The cocaine cartels have been dismantled. The police disclosed today that a number of small groups are running the illegal drug trafficking trade.

According to National Police Director Octavio Vargas, three new search blocs are being created and will join

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existing blocs in Medellin and Cali. These special units will operate on the coasts of old Caldas and in Los Llanos, where the traffickers are installing huge laboratories.

[Begin Vargas recording] I have already established direct contact with the prosecutor general. The new blocs will begin working as soon as possible and with the largest number of people possible. [end recording]

Each of the new search blocs will consist of 200 men, supported by helicopters and intelligence directed from Bogota. They will constitute a new means of struggling against the drug cartels, which have been dismantled through the authorities' persecution.

[Begin Vargas recording] The cartels have been dismantled and are operating in different areas. [end recording]

Nevertheless, the dismantled cartels reunite on cocaine transportation routes, as in the case of the submarine discovered yesterday in Santa Marta.

Search Bloc Deployed

PA0310201894 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 1800 GMT 2 Oct 94

[From the "Cripton Newscast"]

[FBIS Translated Text] The deployment of the Search Bloc to Valle del Cauca in pursuit of Cali Cartel members has forced cartel members to move their laboratories elsewhere. This was stated by General Hernan Jose Guzman, commander of the Army, who also said the narcoguerrilla alliance has been strengthened within recent days. Ivan Dario Parra has filed this report:

[Begin recording] [General Guzman] The Cali Cartel has moved all of its laboratories, virtually everything, from the area of Valle to the departments of Putumayo, Caqueta, Guaviare, Vichada, and Meta.

[Parra] This year, the drive against the Cali Cartel has been intense. More than 500 raids have been conducted. Aircraft, weapons, and raw material have been confiscated. Bank accounts and companies that serve as fronts for money laundering activities have been detected. Operation Margarita 2 was launched this week with the goal of destroying the financial backbone of the Cali Cartel and other organizations dedicated to drug trafficking.

In view of this, Cali Cartel druglords have decided to move their laboratories from the Valle plains into the dense national forests, where it is costlier and more difficult for security forces to detect such installations. Military intelligence has determined that there has been a sizable increase in the smuggling of illegal weapons into the country for the guerrillas, who have been known for some time now as narcoguerrillas because they are financed by drug traffickers. The best example of this, according to the Army, are the weapons seized yesterday in San Vicente de Chucuri.

[Guzman] Part of these could very well belong to the Cali Cartel, but there are other cartels in the northern region of Valle and elsewhere which have brought weapons into the country, and this has been confirmed.

[Parra] This transfer of laboratories and military buildup by the guerrillas implies that authorities will have to change their tactics when combating the drug cartels. [end recording]

Few Arrest Warrants Issued for Presumed Cali Members

PA0110005494 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 29 Sep 94

[Report by Sandra Vergara from the "National Newscast"]

[FBIS Translated Text] [Unidentified announcer] The "National Newscast" has revealed an intelligence report listing the names of individuals and companies linked to the Cali Cartel. The drug traffickers and their collaborators were identified, but there are no pending arrest warrants.

[Vergara] This report by the Special Joint Command lists 155 presumed members of the drug cartels in Cali, in northern and central Valle del Cauca Department. They are people whom intelligence organizations have identified as front men, drug traffickers, and terrorists.

The "National Newscast," has learned, however, that arrest warrants were issued for only 11 of those 155 people charged with drug trafficking, terrorism, and illegal enrichment. Eight others were arrested or have surrendered to justice. There is absolutely no evidence against any others. [video shows on screen the names of the following individuals for whom arrest warrants have been issued: Gilberto Rodriguez; Miguel Rodriguez; Jose Santacruz; Juan Carlos Ortiz E.; Juan Carlos Ramirez A.; Victor Patino; Arcangel Henao; Henry Loaiza; and Jose Pabon]

[Begin Police Director General Octavio Vargas Silva recording] We must investigate in order to capture and not capture to investigate. [end recording]

[Vergara] The way things are, Colombia will continue to depend on intelligence reports from Europe and the United States to try this country's drug traffickers based on the evidence they provide.

Prosecutor General Orders Inventory of Seized Assets

PA3009234194 Santa Fe de Bogota EL ESPECTADOR in Spanish 27 Sep 94 p A-10

[FBIS Translated Text] Prosecutor General Alfonso Valdivieso Sarmiento has instructed the country's regional prosecutors to make a complete inventory of the assets

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seized in operations by authorities against drug traffickers and people who launder money obtained from this activity.

Valdivieso Sarmiento has said they will decide which assets will be placed in the custody of the National Drug Directorate and which will continue to be managed by the institution under his responsibility once they establish which assets are being handled by the Prosecutor General's Office.

The prosecutor general made these statements after this newspaper published a report on the legal conflict that has arisen between both institutions over the destination of and competence to manage the seized assets.

According to this report, approximately 200 billion pesos worth of assets were seized at farms and mansions and in the form of dollars, stock, Colombian cash, bank accounts, office equipment, vehicles, computers, and radio communications equipment during the operations Green Ice, Star, and Platinum, which were carried out in Cali, Medellin, and Santa Fe de Bogota.

These assets are in the hands of the prosecutors despite the fact the law specifies they must be turned over to the National Drug Directorate.

Valdivieso Sarmiento has also disclosed that the assets being used by the various prosecutors will be returned to the National Drug Directorate, and these assets will be assigned afterward as the law establishes if necessary.

He gave assurances that the differences that have arisen between his office and the National Drug Directorate have been overcome.

"We need to be aware that there are rules to follow," Prosecutor General Valdivieso said.

Revokes Drug Traffickers' Safeconducts

PA0110181494 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 29 Sep 94

[From the "National Newscast"]

[FBIS Translated Text] Prosecutor General Alfonso Valdivieso Sarmiento has started to revoke the signed safeconducts given to several drug traffickers by his predecessor. Only one has been revoked up to now, but the National Newscast has learned that former prosecutor general Gustavo De Grieff left many such safeconducts, which Valdivieso wants to revoke now.

Prosecutor General Valdivieso revoked the safeconduct held by alleged Cali Cartel member Elmer Herrera Buitrago, alias Pacho Herrera. The latter's safeconduct was issued by former Prosecutor General De Grieff and forbade Buitrago's arrest despite his alleged ties to drug trafficking activities.

Other safeconducts, such as the ones of Jose Olmedo Campo and Juan Carlos Ramirez, will be studied by the Prosecutor General's legal office in next few days. Meanwhile, Pacho Herrera's safeconduct is the only one that has been revoked.

The National Newscast has learned from the Prosecutor General's Office and police sources that other Cali drug traffickers also have have safeconducts. Apparently, among those who have it are: Efrain Hernandez, alias Don Efrain; Alberto Renteria, alias Beto; and Orlando Henao. This certificate guarantees that you can move about the country without any hindrance.

Official: Drug Traffickers Building Mini-Submarines

PA0210141794 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 29 Sep 94

[From the "24 Hours Newscast"]

[FBIS Translated Text] Colonel Elkin Silva, commander of the Magdalena police force, contends that a factory to construct minisubmarines for drug traffickers, such as the minisub found at Tayrona, is located somewhere along the coast. The authorities are investigating whether Colombians have set up such a factory.

For the Navy, it is not really a submarine but a submersible. Although it is structurally sound, it lacks the technology to release divers. Although drugs were not found inside the most recently discovered minisub, intelligence reports link such devices to drug running, and they believe these subs are being manufactured in Colombia.

[Begin Silva recording] There is information that makes us believe that somewhere along the Atlantic coast these devices are being constructed. [end recording]

The technology for manufacturing these minisubs is known to exist in Italy, Germany, and the United Kingdom, and they frequently are designed for specific missions. In Colombia, the handling, operation, assembly, and control of all submarines has been under the purview of National Navy since 1972. It has two ocean-going submarines—the ARC Tayrona and ARC Pijao—as well as four light submarines. The Navy's submarine fleet was purchased in that country [as heard], and the 40 crewmen of the light submarines were trained in Germany.

[Begin recording] [Unidentified reporter] Do you believe a retired Navy officer linked to drug trafficking could...

[Vice Admiral Hernando Garcia, interrupting] We cannot confirm such a thing at this time. This is a theory which cannot be proved until we have some evidence, some proof. [end recording]

A midget submarine was responsible for the Pearl Harbour attack in World War II. Today in Colombia, investigations were initiated to determine who might be operating the alleged cocaine fleet that threatens national security.

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Prosecutor General's Office Prepares To Reorganize

PA2909191294 Santa Fe de Bogota EL TIEMPO in Spanish 23 Sep 94 p 16A

[FBIS Translated Text] The Prosecutor General's Office is preparing an internal reorganization process that will place priority on combating the theft of 17,000 vehicles, which costs the nation about 400 billion pesos a year; the 3-billion peso money laundering industry; the 175 juvenile gangs in Santa Fe de Bogota; and the mafia operating in all of the nation's airports.

Prosecutor General Alfonso Valdivieso and his team are ready to establish five specialized units that will deal with crimes in public administration, money laundering, airport matters, human rights, and juvenile delinquency. This will be done without committing the state to spend a single peso more than it now spends.

One other unit, comprising personnel from the Technical Investigation Corps (CIT) of the Prosecutor General's Office, will be put in charge of election-related crimes that range from the manipulation of votes to putting pressure on potential voters.

The prosecutor general and his team contend that what is left of Pablo Escobar Gaviria's organization and the organization linked to Gilberto and Miguel Rodriguez Orejuela cannot be solely understood or combated by maintaining two separate files.

Meanwhile, the prosecutor general, the deputy prosecutor general, and other high-ranking officials agree that crimes against public administration still are not very clearly defined in terms of how they are handled, even though there is a Special Investigation Office handling cases involving the Guavio Hydroelectric Project, barges that supply electricity, and others involving subsidies.

Valdivieso is convinced that administrative decentralization and local autonomy will require disciplined investigation teams to provide a serious deterrent to crime, and that, in addition to this, the same should be applied to various state institutions.

Valdivieso plans to create a select team of district prosecutors to undergo a training process overseen by experts from the Comptroller General's Office and the Special Investigation Office under the Prosecutor General's Office. Once this stage is complete, the team will be assigned to investigate difficult cases.

"We know there are constant complaints of possible corruption. [no closing quotation marks as published] We want to hear them, then go into the institutions, establish what is happening and who is responsible.

In fact, just last year the Prosecutor General's Office handed down 3,000 decisions against public officials involved in corruption cases while the Comptroller General's Office investigated cases of irregular channeling of public funds that totaled nearly 5 billion pesos.

The Prosecutor General's Office is seeking a similar goal with the electoral fraud and money laundering units.

The supporters of boths believe that, if a select team is indeed assembled and trained in institutions such as the Registrar's Office, the Comptroller General's Office, and the Banking Association, the Prosecutor General's Office can help combat crimes, such as the manipulation of votes and money laundering.

In fact, based on indications by economic authorities who estimate that money laundering activities involve between $1 billion and $3 billion annually, the government is preparing a law aimed at regulating money laundering. The Prosecutor General Office's new units will have a top priority of enforcing legal rulings.

Another area in which the Prosecutor General's Office intends to work has to do with detailed reports drafted by organizations such as Fasecolda [Union of Colombian Insurers] and COLFECAR [Cargo Transport Confederation]. The idea is for the insurance companies and authorities to work together to allow the Prosecutor General's Office to make significant progress in prosecuting the mafia members who are behind the auto theft networks.

According to figures published by Portafolio, in the first six months of this year, 3,728 vehicles were stolen. The Defense Ministry estimates vehicle theft last year totaled 17,000, while the insurance companies report they paid out 400 billion pesos for vehicle theft, and bank robberies.

The crimes committed by the nearly 200 criminal gangs operating in the capital alone are another source of concern. Follow-up probes conducted by CIT investigators have identified the gangs, their membership, and those areas of the city they have virtually made their own.

Nevertheless, the lack of district prosecutors and units specifically assigned to this type of criminal conduct have prevented effective judicial action. This is the process that Valdivieso and his team want to implement. How do they think they will achieve this? For the time being, the units are going to be formed by choosing the best district prosecutors currently in the institution.

Court Overturns Police Reorganization

PA3009011594 Santa Fe de Bogota EL TIEMPO in Spanish 23 Sep 94 pp 1A, 15A

[FBIS Translated Text] The modernization process in the National Police was dealt its most serious blow yesterday and is currently on hold.

Over 8,000 members of the institution who had begun their police career must now return to their previous posts as policemen or noncommissioned officers.

The institution's executive level, which was actually the only thing being implemented based on a salary increase

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and the creation of a police career track for police officers and noncommissioned officers, was declared unconstitutional by a Constitutional Court ruling.

This was the backbone of the plan drafted by the government to implement the reorganization of the police.

The Court ruling stated that the government was given powers to adopt specific mechanisms for modernizing the police, but not to create new levels.

That means positions such as investigator, customs officer, patrolman, assistant quartermasters, quartermaster, junior detectives, and detectives, posts for which candidates had to be at least high school graduates, will disappear as a result of the ruling.

The salary increase for the members of the National Police was also put on hold because it was linked to the incorporation of National Police members into the new positions.

In practice, the institution will once again be made up of officers and noncommissioned officers, positions that were about to disappear once its members joined the new ranks.

The Constitutional Court ruling, which was drafted by Magistrate Carlos Gaviria Diaz and which was voted on unanimously by the nine court magistrates, involves 80 of the 115 articles of Decree No. 41, issued on 10 January 1994, which regulates Law 62 of 1993.

The law states that the National Police is made up of officers, noncommissioned officers, and policemen, and that is why the Constitutional Court concluded that the government overstepped its bounds by including the executive-level positions in the decree, which creates a parallel career for noncommissioned officers and policemen.

The official communique released by Constitutional Court President Jorge Arango Mejia explained that "the provisions declared unconstitutional were those dealing with the special positions created by the government decree, the so-called executive level, a category not accounted for in Law 62 of 1993.

"The law gives the government the power to modify career guidelines regarding officers, noncommissioned officers, and policemen, but not to create the executive level," the official communique said.

According to the Constitutional Court ruling, provisions of the following were declared unconstitutional: Articles 1, 2, 3, 5, 6, 8, 9, 10, 11, 13, 14, 15, 16, 17, 21, 23, 24, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 47, 48, 49, 54, 55, 56, 57, 58, 60, 61, 63, 64, 65, 66, 67, 70, 71, 72, 73, 74, 75, 76, 77, 78, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 92, 93, 94, 95, 96, 97, 105, 107, 108, 112, 113, and 114.

Articles 18, 19, and 20 were declared unconstitutional in their entirety.

The provisions that were declared unconstitutional involve matters such as the admission of personnel to new positions, the wage and benefits plan, promotion, training, and retirement of police members who would take up the new positions.

Experts consulted by EL TIEMPO said the ruling handed down by the Constitutional Court has enormous repercussions because until now police reform has been based on the creation of that executive level.

For the time being, the most obvious impact of the ruling is that over 8,000 members of the institution who had decided to make a career change will be unable to do so.

A decision must also be made regarding the salary of these people. While a policeman earns 140,000 pesos, a patrolman, the equivalent position in the executive level, would have earned 340,000 pesos.

The incorporation of personnel into the executive level was also based on the prerequisite that its members had graduated from high school.

In the book *National Police: A New Era*, author Brigadier General Rozo Jose Serrano Cadena explains that the creation of the new career track in the institution is aimed at professionalization, which he said, is one of the central aspects of the reforms.

"We have substantially changed the career guidelines, especially those for policemen and noncommissioned officers who, given the nature of their duties, are the ones who have the most contact with citizens. The implementation of the new system can guarantee them greater professionalization. That is precisely the motive behind the implementation of the executive level as a career, which will eventually replace that of noncommissioned officers and which the policemen who meet the academic requirements would be joining over the next three years," General Serrano Cadena said in his book.

Mayors' Dialogue Attempt With Guerrillas Blocked

PA3009125494 Santa Fe de Bogota EL TIEMPO in Spanish 26 Sep 94 p 1

[Report by Raimundo Alvarado]

[FBIS Translated Text] The government has thwarted an attempt by a group of mayors to promote regional talks with the guerrillas.

Government Minister Horacio Serpa Uribe told the municipal leaders that this so-called strategy is not only useless and unwise, but it also challenges the principle of presidential autonomy in guaranteeing public order.

The discussion that took place during the closing of the Sixth National Summit of Municipalities in San Andres was very involved. A group of mayors from towns in Tolima subjected to violence said it is fanciful, considering the circumstances, to constantly prohibit them from contacting the guerrillas as a way "to keep the dogs on a leash."

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The mayors even asked Government Minister Serpa and Prosecutor General Alfonso Valdivieso Sarmiento to approve such talks, which have been prohibited by the Public Order Law.

Serpa replied that although openings of this sort are not possible, this does not mean that the Samper administration will downplay peace efforts made by representative national sectors.

At the summit, the government also rejected a demand made by Fidel Castano (alias Rambo), who requested that the so-called paramilitary groups be considered within the framework of an eventual political negotiation.

Serpa stated that the only special treatment such groups can receive is that offered by judicial submission policy, which is similar to the treatment of given narcoterrorist organizations.

Meanwhile, new violent incidents related to the political campaign for the 30 March election took place. Another candidate for mayor was killed yesterday in Putumayo.

ELN Leader Claims Appointment to Talks Mediator

PA0110041794 Santa Fe de Bogota Inravision Canal A Network in Spanish 0000 GMT 30 Sep 94

[From the "Seven O'Clock Newscast"]

[FBIS Translated Text] A letter written by rebel leader Francisco Galan, who is under arrest in a military jail, was revealed today. The letter states he will mediate the talks with the government on the condition that he be transferred to a civilian jail.

In a letter addressed to the Senate Peace Commission, Galan, a guerrilla of the ELN [Army of National Liberation] Camilist Union under arrest at the Artillery School in Bogota, has said he had been appointed spokesman of this subversive group to further the peace talks. He has said, however, he will not further any talks as long as he is held under arrest and in permanent isolation at a military or police garrison. He added he had unsuccessfully asked the justice minister for a transfer to another jail to initiate a possible peace process with the ELN.

[Begin High Peace Commissioner Carlos Holmes Trujillo recording] The reasons for the arrest are being studied. Second, the aspects relevant to the negotiations are to be viewed when the decision to initiate negotiations is made, and third, this issue has legal aspects that we must consider. [end recording]

For the time being and as long as the feasibility of Francisco Galan's request is being studied, the high peace commissioner will travel to El Salvador to study the peace process with the guerrillas in that country.

Constitutional Court Rejects Restrictions on Media

PA0310020194 Santa Fe de Bogota EL TIEMPO in Spanish 30 Sep 94 p 20a

[FBIS Translated Text] The Constitutional Court yesterday rejected government restrictions and bans on media dissemination of interviews and communiques issued by guerrilla groups or organizations linked to drug trafficking or terrorism.

The court invalidated seven articles of the Public Order Law that established a number of restrictions on the dissemination by the press, radio, and television of communiques issued by guerrillas and criminals.

The court stated that these provisions must be established through a statutory law and not a regular law. A jurist noted that this is more a problem of form rather than of substance.

The court annulled provisions that banned the dissemination—without prior authorization by the Communications Ministry—of communiques issued by insurgent groups, drug traffickers, or terrorists, as well as the identification of witnesses or persons that may provide evidence on illegal acts.

The court annulled articles that banned live transmissions—via radio or television—of acts of terrorism, subversion, or drug trafficking.

The court also annulled provisions suspending the media that fail to comply with such restrictions from using and having full control over frequencies, radio broadcasting channels, and television time for up to six months and provisions establishing fines equivalent to 1,000 minimum legal wages on such media.

In practice, the ruling allows the media to responsibly retransmit these kinds of reports, at least until the contrary is established, another magistrate explained.

The court invalidated Articles 94, 95, 97, 98, 99, 100, and 101 of Law 104 of 1993—the Public Order Law.

The magistrates unanimously stated that the issue of the citizens' right to information—because of its importance—must be dealt with in the congress of the Republic through a statutory initiative, as specified by the Constitution.

"The right to information is essential, and thus, it is an issue that can only be regulated through a statutory law, as specified by Article 152 of the Constitution," a magistrate noted.

The nine magistrates, however, did not reach a consensus on whether such restrictions on information, which were established by the administration of President Cesar Gaviria, are unconstitutional.

In a 5 to 4 vote, the court decided to postpone a final ruling on the scope of such limitations on the media regarding communiques from or interviews with illegal groups.

Magistrates Vladimiro Naranjo Mesa, Fabio Moron Diaz, Jose Gregorio Hernandez Galindo, Hernando Herrera Vergara, and Antonio Barrera Carbonnell voted in favor of postponing a decision.

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Meanwhile, the other four jurists think that the court should have established its position on the official ban on the dissemination of communiques issued by criminals.

The minority bloc included jurists Jorge Arango Mejia, Alejandro Martinez Caballero, Carlos Gaviria Diaz, and Eduardo Cifuentes Munoz. Their position was rejected.

Magistrate Jose Gregorio Hernandez will draft a new position paper.

Samper's Social Spending Program Discussed

94CA0172A Santa Fe de Bogota SEMANA in Spanish 16 Aug 94 pp 72-75

[Text] Not three full days passed following his inauguration when the new president of the Republic, Ernesto Samper Pizano, got the jump on the country and showed it how he intended to give a heart to the economic liberalization. The first step in that direction was to announce the program called the "Social Leap," which involves a multimillion-peso investment in major programs.

The hub of the eight programs that make up the social leap will be the National Social Solidarity Network, a new entity that will be under the direct control of the Office of the President of the Republic, and which in turn will assume control of the National Rehabilitation Plan and the Solidarity and Social Emergency Fund. Former Health Minister Eduardo Diaz Uribe has been appointed to be the first director of the network, and his task will be to make it a reality and to direct all of its programs.

Although what could be considered the poor segment of the country's population consists of 17 million Colombians (47 percent of the total population), the poorest nucleus is made up of 12 million people, that is, one-third of the population of Colombia. And it is precisely that group that will be the focus of the Social Solidarity Network. In the words of President Samper himself, "With this initiative the national government will orient its efforts toward improving the living conditions of that 33 percent of the Colombian population, who are suffering from critical problems in terms of housing, health, education, and public services. They need action to be directly targeted to them, since the actions of government agencies fail to reach them."

The sphere of influence of the Social Solidarity Network will be dictated by the eight programs designed to fight poverty on the most critical fronts in Colombian society. The first such program is intended to partially fulfill one of the main promises of Samper's presidential campaign: to create jobs. By means of emergency programs for rural employment and urban employment, as well as a training program, the new administration plans to find employment for 343,000 Colombians during its four-year term. The jobs will be created primarily by small social and community investment projects, infrastructure projects, and community service projects, which rely heavily on unskilled labor. The agency responsible for job training will be the National Apprenticeship Service (Sena), and the target group of the plan comprises 123,000 low-income unemployed high school students.

With regard to nutrition and food assistance, the new administration's plan calls for three subprograms: one for maternal and child care, another to provide food support for preschoolers, and a third to provide food coupons for preschool children in rural areas who are not covered in community homes. The first program will benefit 400,000 pregnant or lactating women and their infants under the age of one year. The other two will benefit more than 1 million children between the ages of one and seven years.

Another Social Solidarity Network program is aimed at providing support for female heads of household with preschool children. In this case, the goal is to help mothers who, because of their extreme poverty, cannot afford the costs of sending their children to primary school. This lack of funds generally leads to high dropout rates at young ages, and therefore deprives these children of better opportunities. For this purpose, the government will provide a voucher for some 150,000 children between the ages of six and 11, which will allow them at least to finish primary school.

Educational development is also the focus of a plan designed to provide incentives for 9,000 low-income children with exceptional artistic or athletic talent. To this end, the Social Solidarity Network will set up a subsidy and scholarship program aimed at paying these young people's tuition and activity fees. This program will be channeled through sports leagues and clubs and the Regional Cultural Councils.

And if children are to be covered, another of the more vulnerable segments of the population, the elderly poor, will also receive attention. The program known as "Revive" will provide a monthly stipend of 38,000 pesos this year to 240,000 persons 65 years or older, or 50 years or older if they are indigent or disabled. The stipend, which will be adjusted annually by the National Council for Economic and Social Policy (Conpes) to keep up with increases in the family basket, is intended to guarantee a minimum subsistence income for that segment of the population.

With respect to housing, the government has proposed two programs. The first, called "Live Better," seeks to improve the living conditions of rural communities. Over the next four years, this program will benefit 300,000 families, and its central focus is the structural improvement of housing in rural areas and municipal seats of government with fewer than 2,500 inhabitants. The program is also intended to serve as a conduit for proposing alternative solutions for potable water and promoting basic sanitation projects and the installation of public aqueduct and sewerage systems.

The second battlefront is covered by "Housing and Improving the Environment," a program aimed at facilitating the solution to the housing problems of more than 1

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million Colombian families by granting 500,000 direct subsidies to home buyers. The program also involves granting collective subsidies to improve housing in substandard areas that have disparities in the public services provided to individual homes and neighborhoods and in access roads, or areas that are vulnerable to flooding or landslides.

And finally, the Social Solidarity Network also plans to tackle the problem of recreation in areas with the highest indices of poverty. As part of a program called "Recreation," 1,700 parks and recreational areas will be built in impoverished districts in various regions of the country. The goal is to meet recreational needs, especially the needs of the first and second strata, which generally live in overcrowded conditions.

Social Solidarity Network (*in millions of pesos)

Program	Beneficiaries						Executing Agency
	1994-98	2d half 1994*	1995*	1996*	1997*	1998*	
1. Solidarity Employment Program							343,000
Rural employment	110,000	12,000	48,000	57,600	69,120	88,279	DRI/MPIOS [Integrated Rural Development Program/ expansion not given]
Urban employment	110,000		54,000	63,600	69,120	88,279	FOSES/MPIOS [expansion not given]
Job training	123,000		15,526	21,146	31,547	39,831	Sena
2. Food Assistance							
Maternal-child care program	400,000	15,860	38,060	54,800	49,330	26,300	MINSAL [expansion not given]
Food and nutritional support for preschoolers	890,000	3,916	23,496	35,244	46,992	58,740	ICBF [Colombian Family Welfare Institute]
Food coupons for preschoolers not covered in community homes (rural area)	100,000	100	2,160	5,184	10,368	17,418	ICBF/MPIOS
3. Support for Female Heads of Household							
With School-Aged Children 6-11 Years Old	150,000	700	5,040	12,096	15,552	18,662	FIS/MPIOS [expansion not given]
4. Revive Program							
(Indigent elderly)	240,000	7,850	54,720	98,496	157,594	22 6,935	FOSES/MPIOS/Agrarian Fund/DRI [Integrated Rural Development Program]
5. Live Better Program							
(Rural housing)	300,000	30,000	72,000	100,800	120,960	145,152	DPTO/MPIOS/Community [expansion not given]
6. Urban Housing and Improving the Environment Program							
(Individual and collective subsidies), revolving credit	500,000	60,000	240,000	345,600	414,720	539,136	INURBE/MPIO [expansion not given]
7. Recreation Program							
(Children's parks, all-purpose parks, and recreation and sports areas)	1,700	900	4,320	5,184	6,221	7,465	Municipal governments
8. Talent Program (Youth)							
(Sports and arts)	9,000	72	432	1,037	2,488	4,479	Sports leagues and clubs, Regional Cultural Councils
Total Social Solidarity Network		131,398	557,754	800,786	994,012	1,260,677	3,744,627
Solidarity Network's % of Annual GDP [gross domestic product]			0.2%	0.8%	0.9%	0.9%	0.9%

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All the programs will be implemented and executed in conjunction with territorial entities. In practically every case, the national agency responsible for the matter on a nationwide scale—the Social Emergency and Solidarity Fund, the Integrated Rural Development Program (DRI), the Sena, the Health Ministry, the Colombian Family Welfare Institute (ICBF), the Social Investment Fund, the Inurbe, the Agrarian Fund, or the Colombian Institute for Educational Credits and Overseas Technical Studies (Icetex), as the case may be—will provide the funding or will cofinance the program, but the execution will be carried out by municipal governments.

The total cost of the Solidarity Network programs, at current 1994 values, will be 2.6 trillion pesos, or about $3.3 billion. For the remainder of this year, the government plans to allot more than 135 billion pesos ($170 million), for which it will have to reallocate budget resources during the second half of the year. For 1995, it plans to invest 608 billion pesos, which amounts to 0.8 percent of the GDP. And beginning in 1996, the allocation for meeting the investment costs of the various projects will be nearly 1 percent of the GDP.

The eight flagship programs of the Social Solidarity Network will be financed with regular resources from the national budget, the cofinancing system, resources from the territorial entities, and funds derived from a $500 million loan from the Inter-American Development Bank (IDB).

This ambitious social spending and investment program will have to be reconciled with policies aimed at controlling inflation, however. Last week there was talk of the need to reduce public spending, which rose by 70 percent during the first six months of the year. The budget adjustments that will have to be made this year and the discussions that are coming up in Congress for the 1995 budget will be the first opportunity for the government to show how far it is willing to go to put some heart into its economic policy.

Paraguay

'Rapprochement' With Cuba Seen in Trade Official's Visit

PY0310212994 Asuncion ULTIMA HORA in Spanish 30 Sep 94 p 22

[FBIS Translated Text] The rapprochement with Cuba, which was initially established "unofficially" between the Paraguayan Government and the government of that island, appears to be heading toward a formalization, at least in the trade sector.

In an exclusive interview with ULTIMA HORA, Jose Fernandez Vilela, the Cuban Government's charge d'affaires in our country, detailed the advances that have been obtained in the negotiations. It was through this channel that the official, easing confidentiality, agreed to tell about the visit to Asuncion by a trade official, Francisco Pacheco Mendez, trade chief for South America of the Cuban Foreign Trade Ministry.

According to Fernandez Vilela, Pacheco was able to establish that businessmen's rejection of the Cuban Socialist government disappears as if by magic when there are business deals in sight.

The two Cubans thus met (and with the beginnings of an agreement in each case) with Industry and Commerce Minister Ubaldo Scavone, Vice Trade Minister Guillermo Sosa, Vice Economic Relations Minister Antonio Felix Lopez, with the directors of Feprinco [Federation for Production, Industry, and Trade], the Paraguayan Industrial Union, the Chamber of Lumbermen, and the heads of several of our country's laboratories—and in all cases without the slightest reticence.

"In the trade sector there is, for many reasons, a mutual need for face-to-face communications in order to overcome a total lack of knowledge," Fernandez Vilela said when asked about the bias that could have existed.

"We did not have very many expectations for the trade mission, beyond identifying a market and observing the possibilities, but our expectations were to a large extent exceeded," he stressed, in a satisfied manner and still evidently surprised.

The success could not have been better: The Cubans offered to purchase cotton, soybean flour, edible oil, and lumber through quick lines of credit with a 180-day expiration date at a time when the export of these products had become stagnated and the economic recession was harshly punishing sectors of primary production.

In exchange, the Paraguayan businessmen will have the possibility of importing biotechnological medicines and metallurgical products, in addition to eventually being able to count on technological cooperation—one of the sectors in which the Cubans have a lot of prestige—in increasing agricultural yields and improving the development of sugar cane (Cuba today obtains 150 products from sugar cane), in addition to other types of cooperation.

At the same time, the government could possibly count on cooperation and advice in the public health sector, "as this cropped up in the conversations, but only when relations reach at least consular level," according to the charge d'affaires.

Fernandez Vilela also let it be known that the fact that it has been planned to make immediate purchases of cotton for the island's processing plants, which are idle today due the lack of raw material, will surely hurry up the formalization of relations.

The U.S. blockade of the island, which doubles freight costs to and from the Caribbean country, is about the only thing that could delay the exchange, but even so, trade relations are a fact.

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Wasmosy Discusses Achievements of Administration

PY0410101794 Asuncion RPC Television Network in Spanish 2250 GMT 3 Oct 94

[FBIS Translated Text] On 3 October, President Juan Carlos Wasmosy took stock of four aspects that, in his view, constitute the most salient achievements of his administration. In an exclusive RPC Television Network report, he said:

[Begin Wasmosy recording] Such is the case of the Mercosur [Common Market of the South] negotiations on the common external tariff in which we obtained exceptions for 399 items. Now it is up to the private sector to decide in all fairness and honesty the raw materials, the inputs it needs, so that they may be included in this list of exceptions. We, as a government, have created the necessary climate and the rules of the game so that the private sector, which is the driving force behind development, can be successful in its dealings with the Mercosur.

Another aspect worth mentioning is the Council for Magistrates. I promulgated the law on this council the day after....[corrects himself] that is, on the same day, Congress enacted it. We have therefore fully honored our commitment to reorganize the judiciary. I have just been informed that some lawyers have sought an injunction before the Supreme Court. Well, I am really sorry about that, but I call upon these lawyers to desist from this. They obviously have the right to do it; we do not want to impose any constraints, but I do hope that a solution will soon be found so that the much sought-after reorganization of the judiciary, which the government is determined to undertake, may become a reality.

Another aspect is the issue of the Pilcomayo River, which at present—and until the works undertaken by Argentina are finished—has 100 percent of its waters flowing into Paraguayan territory. The waters, helped by the recent rain, have already reached Estero Patino [swamp located in the Lower Pilcomayo River]. We hope that the Paraguayan people, for whom we are working, are pleased with all these things.

The cost of living increased by 0.3 percent in September, which is the lowest rate recorded under my administration. Inflation is running at 14 percent. Let us hope that, God willing, we may close the year with a 15-percent inflation rate, which is what we forecast in our government program. This is all for the time being. Thank you very much. [end recording]

Peru

Fujimori Admits Seeking Reelection; Ranked First in Poll

PY0410030594 Madrid EFE in Spanish 1633 GMT 1 Oct 94

[FBIS Translated Text] Lima, 1 Oct (EFE)—By stating that he is pondering who will be his running mate, President Alberto Fujimori has admitted that he will seek reelection in the general elections scheduled to be held on 9 April 1995.

During a tour of the southern region of the country, where he dedicated several works, Fujimori yesterday said he is pondering who will be his running mate on the presidential ticket. In compliance with JNE [National Election Board] regulations, Fujimori has until 11 October to register his presidential ticket.

Moreover, the ruling party alliance, Change 90-New Majority [C-90-NM], which has a majority in congress, yesterday formally registered itself with the JNE.

It is believed that the C-90-NM registration is a prelude to President Fujimori's official announcement that he will run for a second five-year presidential term.

The currently enforced Peruvian Constitution, which was approved through a popular referendum in 1993, allows the reelection of the president.

According to the latest opinion polls disclosed today by the Peruvian Public Opinion (POP) company, if general elections were to be held tomorrow, President Fujimori would obtain 43 percent of the votes.

It adds that former UN Secretary General Javier Perez de Cuellar, considered to be Fujimori's main rival, would only obtain 26 percent of the votes.

Susana Higuchi, President Fujimori's wife and the leader of Harmony 21st Century, ranks third in the preference of the public with 6 percent. According to Higuchi, Harmony 21st Century will register her candidacy sometime between 8 and 10 October.

There is, nevertheless, a law that prohibits the president's relatives from running for the presidency or for a seat in the legislature.

It will be up to the JNE, however, to decide whether Susana Higuchi may or may not run for the presidency because the Constitution does not establish any impediments with regard to running for the presidency.

According to POP, Lima Mayor Ricardo Belmont comes after Susana Higuchi in the public's preference with 5 percent.

Belmont, who has just undergone back surgery and will have to undergo further surgery in 15 days, stated yesterday that he will decide whether or not he will remain in the presidential race.

According to the poll, Raul Diez-Canseco Terry, of the Popular Action center right party, obtained 4 percent, and Luis Caceres Velazquez, of the Peru 2000 Movement, obtained 3 percent.

The POP poll also states that 64 percent of those consulted approve of Fujimori's administration, while 47 percent state that there should not be more than five presidential candidates.

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JNE President Ricardo Nugent has said the presence of international observers in the presidential elections is unnecessary because there is an absolute guarantee the elections will be "clean and open," and therefore no control is necessary.

Moreover, the conservative Popular Christian Party [PPC] and the populist American Popular Revolutionary Alliance (APRA) will appoint their presidential tickets on 2 October.

The left is trying to unify itself and will hold a national plenum to run as a single party and not as an alliance as it has been doing in the past, registering with the JNE as the United Left.

The newspaper EXPRESO states in its editorial today that the PPC "will hold a primary on 2 October to choose its candidate. This is something truly extraordinary, which, if it succeeds, can be the starting point for the reorganization of political parties into modern and democratic organizations that citizens can trust."

Colombian Traffickers' Movements Examined

PY0410003094 Lima LA REPUBLICA in Spanish 5 Sep 94 pp 14-15

[Report by Monica Vecco]

[FBIS Translated Text] Drug traffickers have built at least 20 landing strips along the Peruvian-Colombian border for aircraft coming from the coca leaf growing zones. These aircraft then transfer their cargo to larger aircraft which then take it to laboratories in Colombia.

The illegal landing strips are also used to refuel and camouflage Colombian as well as Peruvian aircraft, which change their license numbers and flags before entering or leaving the country.

The "firms" call these landing strips "La Media" [midpoint] because they are located halfway between the coca producing zones and the main cocaine hydrochloride laboratories in Colombian and also in Brazilian territory, where drug trafficking has increased due to the lack of control by security forces.

Between Gueppi, in the north, and Yaguas, in the south, along 1,700 km of the Peruvian-Colombian border, at least 20 towns have landing strips, without counting those located in the so-called "canos" ["tubes"] or Putumayo River tributaries.

According to information obtained in the zone, the town of Gueppi, where the Peruvian, Colombian, and Ecuadoran borders meet, is a strategic area as this is where the aircraft "triangulate" in order to enter Colombia through Ecuadoran territory.

The Peruvian Army has started building a 1.5 km long airstrip in Gueppi with the purpose of developing that distant Peruvian zone.

In Gueppi, as well as the neighboring towns of Sargento Tejada, Nueva Peneya, and Soplin Vargas, there are military garrisons and National Police stations. However, the drug traffickers operate freely due to the lack of human and logistical resources to patrol the border.

A military officer who arrived from that zone stated that the Colombians use powerful speedboats with outboard motors to travel along the rivers, and all the police can do is watch them go by because they do not have similar boats to patrol the rivers.

The situation in Angusilla is even more worrisome. In addition to the presence of Colombians who are in charge of the landing strips and laboratories, there is large scale exploitation of forest resources in Peruvian territory, as the Colombian Amazon is a "reserve zone" and the illegal felling of trees is punishable with imprisonment.

In Angusilla, as in the indigenous community of El Alama in Bajo Putumayo, indiscriminate felling has led to abuse and ill-treatment of the indigenous people, who are forced to work as semi-slaves, as was the case in the past during the rubber boom.

The same happens in Yubineto, Yabuyanos, Santa Mercedes, San Francisco del Ere, and Flor de Agosto, where the little control that exists and the neglect in which the locals live has turned the zone into a paradise for illegal wood cutters and drug traffickers and a favorite hideout for criminals.

Between Bagazan and El Estrecho, near the river of Algodon, there are at least four landing strips from which drug traffickers' aircraft take off at any time of day or night.

According to information obtained in the area, aircraft transporting drugs are allegedly even "taking off" from the municipal airport of El Estrecho, one of the most developed Peruvian towns on the border and the capital of Putumayo District.

The airstrip at Betania, identified by drug traffickers as "L5," is the key airport in Bajo Putumayo, from which twin-engined aircraft take off transporting drugs to "La Chorrera," an important cocaine hydrochloride processing center on the banks of the Igaraparana River, in the valley of Cauca.

The airstrip identified as "L8" is located a few kilometers down river, in the indigenous town of El Remanso. This airstrip, which is 910 meters long, is administered by Huitoto tribal chief Ernesto Hilorio Rivera.

Machinery brought over from Colombia by the owners of the "Aeroamazonas" company was used to build the airstrip. The "Aeroamazonas" company owners offered the locals financial aid in exchange for the use of the airstrip. They also supplied kerosene lamps to allow the takeoff of aircraft during the night.

The "L8" airstrip is located in the left bank of the Putumayo River, and from the air looks like a perfect billiard board.

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The Turbo Comando aircraft being used to transport up to 1.2 tonnes of drugs per flight cannot land just anywhere, as they need a hard airstrip of medium length in order to take off.

Corbata is another landing strip from which thousands of kilos of cocaine paste are shipped to the laboratories in the valley of Cauca, also known as "El Queso" ["the cheese"], which in the mafia's jargon means where the cocaine hydrochloride is produced.

Curinga, San Martin, Huapapa, and El Alamo—where a landing strip is being built—are other border links.

These landing strips are connected directly with Upper Huallaga; the Apurimac River basin in Ayacucho; and the valley of Pichis-Palcazu in Pasco, where the main drug gathering centers are located.

The transportation of drugs from one place to another is done by air or by river. Air transportation is carried out by civil aviation enterprises that take the shipments to the border.

The transportation of cocaine paste to the refining laboratories in Colombia is carried out by the cartel bosses, who use fast twin-engined aircraft that can carry up to one tonne of cargo.

The destruction of landing strips and surveillance of some airports by security forces has forced drug traffickers to again resort to the river routes, which although expensive due to the cost of fuel, are safer due to the lack of checkpoints along the river banks.

In fact, since the mid-seventies, long before the air trafficking boom, the Ucayali, Maranon, and Amazonas Rivers have represented an important corridor for international drug trafficking, as the obligatory route for significant shipments of unrefined cocaine paste and washed coca paste.

The drug traffickers have included the Ene, Perene, Pachitea, Urubamba, Napo, and Putumayo Rivers in their route. Speedboats known as "piranas," equipped with powerful 3HP [as published] motors capable of transporting up to four tonnes, sail along these rivers.

The "cargo" in some cases travels from the Upper Huallaga to Iquitos, from where it is taken to Leticia, in Colombia, and Tabatinga, in Brazil, and then by air to refining laboratories.

Since late 1993, due to Air Force, Army, and the National Police surveillance on Caballococha, the capital of Ramon Castilla District, the airport of this town has ceased to be the "center of the movement."

Drug traffickers operated in Caballococha with the approval of certain local authorities who collected "protection fees" to allow the landing of aircraft with merchandise which was then transported by river to Colombia.

Former Coballococha Mayor Adolfo Suarez Sanchez recalled: "One dawn I counted 10 packages of 20 kg each being unloaded from an aircraft and taken to Cushillo Cocha, in Colombian territory, in very powerful speedboats that were waiting at the port."

To dodge the authorities the drug traffickers have now changed their habits, and the aircraft, instead of landing, throw their cargo down wrapped up in plastic bags and equipped with floaters. The drugs are immediately picked up by the "piranas" waiting in the river.

A week ago the six-seater Turbo Station aircraft with license No. OB15556, of the Aero Lasa company, was detained at the Caballococha airport with three passengers on board, one of them a Colombian citizen.

The aircraft was coming from Tarapoto, with a flight permit, and although the police did not find any drugs inside the aircraft when they checked it, it is believed that it dropped a significant amount of drugs from the air.

Clandestine landing strips in Bufeococha, San Juan de Cacao, San Salvador, Vista Alegre, Bellavista, San Fernando, and Perene can be spotted from the air a few minutes from Caballococha.

The Yahuma and Sacambu airstrips, which were built a year ago by security forces, have been reopened by the Colombians who control them.

The Yahuma landing strip, known as "La Panamericana," was used by a "firm" belonging to Colombian citizen Homero Benjumea, who died in late 1992 when his aircraft crashed in the Colombian jungle.

Yahuma is currently administered by a Colombian citizen known as "Zoraya" and his right hand man "El Vikingo." Each aircraft pays $10,000 to take off from here.

The Sacambu aiport, located 20 minutes from the Yavari River, is another important airport, and it has been claimed that it is administered directly by the brothers Gilberto and Manuel Rodriguez Orejuela of the Cali cartel.

Sacambu was built by late Iquitos Mayor Joaquin Avenzur. Inhabitants of the zone have stated that the aircraft have "radio aid" and the protection of the local police station headed by police officer Justo Chileno Angeles.

Sacambu and Yahuma are directly linked to the border towns of Tabatinga, in Brazil, and Leticia, in Colombia, from where tonnes of cocaine base are transported to the laboratories located on the banks of the Putumayo River, in the towns of Tarapaca and Petropolis, which are allegedly important cocaine hydrochloride processing centers on the Colombian-Brazilian border.

Islandia is one hour away from Yahuma, in the Amazon Trapezium, and is situated in a privileged position for the transportation of narcotics by air and river toward Colombia and Brazil.

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The Peruvian drug trafficker known as "El Vampiro," who lives in Manaos, Brazil, and who was believed dead, is allegedly operating in Islandia.

His presence in the area confirms the presence of other important traffickers who were considered missing or no longer in business.

Jose Rio Bawer, aka "GPH," left Peru from here a few months ago. Bawer was the right-hand man of Lucio Enrique Tijero Guzman, who was recently arrested at Iquitos International Airport traveling with three Colombians in an aircraft of the TATSA airline.

Bawer arrived from Palmapampa after having "closed" a deal for $120,000, which was confiscated by the police, who placed only $29,000 at the authorities' disposal. Surprisingly enough, Bawer and his companions were released by corrupt judges and attorneys a few weeks later, and left the country hastily in speedboats heading toward Leticia.

The Dinandro [Antidrug Division] and FAP [Peruvian Air Force] are coordinating actions for a thorough reconnaissance of the Colombian-Peruvian border, and to destroy the landing strips that are used as the most important links between the drug traffickers that operate in Peru and their Colombian bosses.

However, the security forces also need the necessary equipment to permanently control the drug traffickers and prevent them from rebuilding the landing strips, as has happened in the past.

Uruguay

Lacalle Views Talks in U.S. on Mercosur

PY0310172394 Madrid EFE in Spanish 1826 GMT 1 Oct 94

[FBIS Translated Text] Montevideo, 1 Sep (EFE)—Returning from the United States, Uruguayan President Luis Alberto Lacalle emphasized on 1 October that "there is eagerness among developed nations" to keep abreast with developments in the Common Market of the South (Mercosur).

The Uruguayan president arrived in Montevideo from New York, where he headed the Uruguayan delegation to the UNGA.

During an impromptu news conference at the Carrasco International Airport, Lacalle noted that during his five-day visit to the United States, he confirmed that the Mercosur "has achieved the caliber of a well-known trademark—everyone now knows what it is. This is very significant among developed nations."

The Uruguayan president said there is great interest "both in business and academic circles in learning about the nature, scope, and meaning of Mercosur."

Lacalle added: "I believe we, the government and the media, must work hard to promote Mercosur. Within the Mercosur, we Uruguayans have the relative advantage of being members of one of the largest trade blocs of the future."

Lacalle also spoke of the trade talks held by Uruguayan entrepreneurs, who joined the delegation in the United States. He expressed hopes that these talks will be successful.

Lacalle also confirmed his petition to the United Nations to achieve "more correct UN peace missions."

He recalled the delay in replacing used war materiel and in paying military personnel. He emphasized that Uruguay will continue to support and join peace missions "provided they do not involve onerous expenses for our country."

Blanco Party's Volonte Outlines Policy

PY2909190094 Montevideo EL PAIS in Spanish 18 Sep 94 pp 4, 5

[Speech by leading Blanco Party presidential candidate Alberto Volonte, outlining his government policy at the Del Centro Theater in Montevideo on 13 September]

[FBIS Translated Excerpt] [Passage omitted] The acknowledgement of what is essential in our society—namely the defense of basic values—is fundamental in drafting a major government policy. It is by taking historic values and imperatives into account that my running-mate, agronomist Alvaro Ramos, a group of highly qualified experts, and I are assembling our government policy. This may sound a bit pompous, especially when we are all aware—regardless of our individual ideas and opinions on different national issues—that they must be discussed in a resolute and flexible manner.

I believe there is no resoluteness without flexibility, and herein lies the secret—the more resolutely and firmly one strives for one's objectives, the more flexible one must be. We should confront entrenched positions, which we know we will encounter, and so there should be no revealed truths. We believe the first required major government policy is, undoubtedly, a broad national consensus, which should not simply entail agreement among political parties or their leaders—the whole of society should participate. Hence, we must be honest and acknowledge that, in many respects, Uruguayans have been at odds with each other.

Even though politicians are responsible for guiding our country, many times political events occur—like the lack of union, agreement, or understanding—which reverberate throughout society. Thus, government plans must, above all, seek a consensus that should never be reduced to a simple division of power between the party that wins at the poll—be it the Blanco or Colorado Parties or the Broad Front—and the other parties, because this is only circumstantial.

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Unless society unites, unless the administration to be inaugurated next 1 March can command leadership, unless it behaves as a role-model for the private sector, unless the state becomes the fulcrum of citizens' motivation, we will get absolutely nowhere because no government policies—even excellent ones—or economic policies can bring this about.

Let us start from the premise that the only objective is a broad consensus, a major agreement, a tireless and open dialogue, without prejudices or looking at each other askance, with the directness that characterizes Uruguayans, and without forgetting that great national objectives are ahead.

It is my considered opinion that this unity, dialogue, and search for harmonious policies to unite society—and through it, to unite those entrusted to rule the country—should begin in the pre-electoral period. Through our behavior, remarks, and style, we shape the future. Let us always be aware that everything we convey to society is important because, to a certain extent, our remarks and behavior condition society since they set a pattern of behavior in the overall scenario. [passage omitted]

Through our perspective of the regionalization of Uruguay, we have established our priority guidelines for when we become the government. We are faced with the important topics of reconversion and re-investment. Without reconversion and re-investment we will obtain nothing.

We must educationally and culturally reconvert the three vital productive sectors: Agriculture, industry, and services. If we do not have this foresight and if we are incapable of implementing it, I repeat that we will obtain nothing. But this will not help unless at the same time we reform the state and urgently return to a social welfare state with the necessary and profound social security, housing, education, and environmental reforms. This is all very necessary in the current world. With this foresight we must see how to develop an economic policy.

In our country this have been traditionally associated with certain sectors. It has even been said that an economic policy can serve financial sectors. This is wrong because an economic policy is at the service of society and as such at the service of every sector and at the same time of no sector.

We want a neutral economic policy that supports and complements the private sector, but which must permanently consider ways to project itself outwards and view the regional aspect without forgetting the rest of the world. Half our trade is to be found in the region. It is important to highlight that 14 percent is with Brazil and 26 percent with Argentina. It would seem the region can accommodate Uruguay more than the other countries because we have been on this road for years.

We must develop an economic policy to serve the great objectives, be they cultural, educational, health, environmental, as well as the productive sectors—commerce, industry, agriculture, and services. But they must not be dispersed, they must form a unit.

For an economic policy to be useful for society—a society as we see it that even includes a reconversion of its own culture—we have for the past few years offered an economic plan to achieve a basic objective: The stabilization of our economy. There is another very important factor: In acknowledging the stabilization plan of the government of the National Party, we must also acknowledge the sacrifices by society over these past years.

The sacrifice of society is a form of patrimony of society. It would be a real mistake if, following all the years of sacrifice, we did not treasure it as our biggest patrimony. We must speak carefully about this and consider what it cost the agricultural sector, the exporter, and everyone without exception. If we do not capitalize on this sacrifice and greedily take advantage of it, we will have miserably wasted our time and have the tremendous responsibility of facing the future: We will have frustrated the country, because nations have curves in their history that indicate the precise time to act in a determined way.

To illustrate this; 30 to 40 years can be lost, but under determined circumstances there is not a minute to be wasted. I believe we are facing this situation. We must administer what has been achieved to the present and act in the same way with respect to the sacrifices by society because this is now part of our patrimony.

[Passage omitted] Beyond any doubt, the state's goals have been essential for decades. The state's activities and beneficiaries were important. Without minimizing their importance, I believe the great concern now involves outlining the state's goals. Some societies probably remain concerned about what should be done and for whom. Fortunately, we Uruguayans have already learned. The problem, I repeat, is how should we do it. This is the key. When I talk about how these actions should be implemented, I am talking exclusively about the government's activities. I intend to outline a government—and it is not hard for me to say so—with an entrepreneurial bias. If traditional doctrines do not provide a response and if we have nothing to cling to due to the speed of the changes, we must adapt and manage ourselves the way entrepreneurs do. They get up every morning without knowing what they will be facing in the afternoon, but they are prepared to solve the problems posed to them every day, every month, and every year. The attractive part of this is that entrepreneurs use their resources differently to face various circumstances. We understand that the state will have to get used to managing the same or fewer resources to meet greater problems. We realize that the government must learn to use its resources, which for many reasons we have been using very poorly because we have not created an appropriate data base to enable us to take the right measures. It is impossible to decide if we do not have the appropriate data.

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We must have a clear perception of our objectives and assets. Intelligence and human resources are undoubtedly the most important assets. Unless we become aware that the overriding asset is to be found in the people, and manage the state in a way that takes full advantage of their intelligence, we will have utterly failed.

Uruguayans find it quite astonishing that there should be 265,000 civil servants in a country that has a population of 3,000,000.

The question does not boil down to the number of civil servants or to the fact that they are worse than any others, but rather to the fact that, from a cultural standpoint, nobody has been able to create the conditions for those civil servants to reestablish the dignity of a person who has the satisfaction of having accomplished his/her task and who is stimulated by a fair remuneration.

The answer to this question lies in the stimulus of productivity. We can no longer find a solution to this issue by simply resorting to a quarterly indexation, which discourages people and distorts the economy. I think there is absolutely no area where the effort of the people cannot be measured by means of their productivity.

We must implement a hierarchy within the Civil Service so that it can be the dynamo, the driving force of our country. This is the great rediscovery Uruguayans should make. If we form a new government, we will make the best use of people's skills. We should embark on this task right away, without wasting a single minute.

Irrespective of which party is elected, it should begin to undertake the reform of the state—regardless of the frustrations one feels when very good bills are voted down for one reason or another—as of the evening of 1 March 1995.

The government must begin to project the budget, based on the recovery of human resources and the just distribution of material resources, bearing in mind the final objectives and their applications. The budget is a formidable lever that at times we have failed to use. The word nettles us but we have forgotten that it is truly the core and the extraordinary motor. We must draft a budget on the basis of a real knowledge of the needs. Who can say today that what is spent in any area, be it education, health, justice, defense, is the right amount? Why has it been established that a certain amount must be spent in a specific area? Who decides?

We all know that budgets for many decades have been drafted on the basis of the previous one and are simply brought up to date according to inflation. That is the truth and we might not like to acknowledge it, but we really do not have the adequate information to formulate policies that will allow us to correctly distribute resources. How many more times will we have to decide between more taxes or a cut in expenditure? Is it not possible to have a surplus if we collect and spend adequately?

It could be that the state does not save simply because it does not know how to adequately administer resources. At times, when it is being said that resources must be used in a more adequate manner, it seems a simple idea that lacks the importance of the great plans and thus a much more sophisticated economic theory is sought. Personally, we base our plan on precisely that factor that concerns Mr. Clinton and every other country.

It has dawned on people the world over that they were wrongly budgeting, that they had no idea of what was happening, and that they were bad administrators. How can we expect the private sector to continue making sacrifices if the government is unable to administer the state and the rest of society in an above-board and open manner?

It is paramount that the state reform begins by taking full advantage of human and material resources. This is the underlying factor for our great enterprise. It goes without saying that we need many elements to accomplish this task. [passage omitted]

It is our considered opinion that the need to terminally depoliticize the state is a central element in this endeavor. We must acknowledge that by creating positions of trust we are politicizing the state, killing motivation, truncating the hierarchical pyramid, and preventing the establishment of an appropriate civil service career. It is, therefore, imperative to end positions of trust and give clear indication that we have depoliticized the state because, otherwise, we will be unable to demand anything.

And yet, we do not only have to depoliticize the state. We have to behave in a similar manner with regard to our currency as well. This is why we intend to create an independent Central Bank that acts in accordance with technical principles and safeguards us against what has been a constant occurrence following World War II, like the issuance of money with no backing whatsoever, which the only thing it accomplished—let us speak clearly—was to hide the inefficiencies in Uruguay's economic policy. [passage omitted]

We intend to establish a Ministry of Commerce and Investments. We believe we are currently incapable of facing an essentially commercially oriented world, in which the United States—which is at present the world leader—is already analyzing how this great market that extends from Alaska to Tierra del Fuego will be established. The United States only thinks in terms of the entire region since when some countries located in this region tried to negotiate directly, it declined arguing that it could only negotiate with some specific nations. The Americans obviously did not do this out of charity, but because they believe the establishment of regions followed by their strengthening and unification will enable the creation of a great "block" that will pit itself against the other four. The United States is very aware that the world is at present divided into four or five trade "blocks."

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We also believe intelligence and trade constitute wonderful challenges for the 21st century. It is only logical then, to prepare to debate in the arena of human thinking. The best will be those who have greater knowledge rather than those who command greater wealth, which will be acquired through knowledge in the great world that lies ahead of us. This is the world for which Uruguay is wonderfully prepared; a world characterized by greater freedom and equal opportunities—which will abound—for everyone so that society may participate and take full advantage of them. We are at the threshhold of a new era. [passage omitted]

Volonte in Brief

Government: We need improved government actions to at least achieve better education, highways, and health for the same amount of taxes.

Mercosur: Individual adventures cannot be admitted, regional guarantees will be created. The potentially great result is in the hands of society.

Challenge: To conduct an educational and cultural transformation of the three basic production sectors: agriculture, industry, and services. Without this nothing will be achieved.

Stability: To recognize the stabilization program of the National Party administration and of society for its sacrifice over the past few years.

Government Action: To draft a government with an entrepreneurial bias in order to solve the problems that arise every day.

People: This is our country's largest capital. The goal is to direct the state into using the intelligence of the citizens.

Public Servants: The indexation of salaries every four months discourages and corrupts. The goal is to upgrade the public function and evaluate efforts based on productivity.

Budget: It is a formidable word that we are no longer using. The goal is to plan the budget so as to regain human resources and fairly distribute material resources.

To Manage: There is no appropriate information to correctly distribute funds. The private sector can no longer sacrifice itself because the government does not manage the state honestly.

State: The goal is to depoliticize it, terminating most posts of responsibility.

Central Bank: This must be independent from the political power and have a technical bias.

Plebiscite on Retirees: This is correct. It removes articles that should never have been in a Rendition of Accounts.

Social Security: The goal is to start from scratch and achieve a broad law that will contemplate the reforms. The Social Security Bank should only be for retirement, without any health insurance, unemployment insurance, or family allowances.

Production: Only the more efficient, who produce more, will receive the awards they need to keep their product competitive.

Foreign Exchange Policy: The goal is to keep the foreign exchange rate unchanged because it is the axis of a policy that benefits all.

Youth: Employers and employees under 25 years of age will be governed by a contract freely established by them. These youths and, to a certain extent, their employers will be exempted from contributions.

Agriculture: The goal is to develop an agroindustrial policy that will use and transform our resources.

Venezuela

GATT Asked To Censure U.S. in Gasoline Dispute

PA0310184394 Caracas Union Radio Network in Spanish 2200 GMT 2 Oct 94

[From the "Union Radio News" newscast]

[FBIS Translated Text] Alberto Poletto, president of the Foreign Trade Institute, has asked GATT to censure the United States for its discriminatory treatment of Venezuela's reformulated gasoline. Minister Poletto is in Switzerland to request the creation of a commission to examine aspects related to the conflict involving Venezuelan gasoline. The Venezuelan official also will discuss the U.S. embargo imposed on Venezuela.

President, Congressional Leaders Discuss Reforms

PA0310182594 Caracas EL GLOBO in Spanish 29 Sep 94 p 2

[Report by Judith Martorelli]

[FBIS Translated Text] The president of the Republic has asked the president of Congress to approve the laws the executive branch needs to restore constitutional guarantees, except for those guarantees that should continue to be suspended. The president reminded Congress that the constitutional reforms should be submitted to a referendum and that they should reflect the will of the people.

Leaders of the two chambers of the National Congress briefed President Rafael Caldera on the end of the special session of Congress and the beginning of this year's regular session.

Congress President Eduardo Gomez Tamayo, Chamber of Deputies President Carmelo Lauria, Senator Victor Hugo de Paola, and Deputy Antonio Ledezma visited Miraflores Palace to brief President Rafael Caldera on the activities carried out during the special session.

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Eduardo Gomez Tamayo said the work of the two chambers had been responsible and auspicious.

He said: "We acted with due respect for the inconsistencies of democracy to prevent the impunity of a few individuals from leaving others without legal protection or guarantees. The desire to restore the nation's credibility in Congress prevailed."

Gomez Tamayo also summarized the laws that had been approved at the special session—some of which were solicited by the president to face the emergency resulting from the financial crisis, such as the Law on Handling Public Financing, which was directed at Fogade's [Deposit Guarantee and Banking Protection Fund] financial assistance; the law allowing the president to adopt special measures on economic and financial matters; and the law permitting the executive branch the right to contract and execute public financing operations during fiscal 1994. The following bills are being studied by legislative committees: a bill regulating emergency financing, the exchange system bill, another on insurance and reinsurance, and a bill partially reforming the Consumer Protection Law. Gomez Tamayo also outlined the steps being taken by Congress in terms of constitutional reform. He pronounced himself in favor of reform on very specific issues that respond to the demands of the civilian population.

Gomez Tamayo said the argument calling for a constituent assembly is legally vulnerable, because the Constitution only contemplates mechanisms for reform or for general amendments.

President Rafael Caldera Rodriguez gave a short talk in which he acknowledged Congress "has become aware of Venezuela's serious situation."

He said: "I know you are discussing proposed laws that the executive branch has urgently requested to give direction to the country because of its serious financial crisis. Our primary objective is to reestablish constitutional guarantees, except for those guarantees that must continue to be suspended to bring about a satisfactory and useful conclusion the tasks that we must tackle."

Caldera added, "I want to believe Congress has cordially accepted my recommendations to conclude this work by considering and enacting these laws. I earnestly want to recommend a general reform of the Constitution, since that would be the best contribution Congress could make to the country during the next session, and I believe this would indeed correspond to a real emergency."

Caldera reminded Congress that the constitutional reform must be submitted to a popular referendum and, as such, must express the sentiments of the population. The bill presented by the bicameral commission overseen by Rafael Caldera himself during the previous constitutional period recommends that the reforms include a call for a constituent assembly.

Caldera concluded by reaffirming his optimism for the future of the nation and by saying he trusted that "this cordial act will be a sign of hope for the Venezuelan people."

Caldera Creates Development Program Commission

PA0310144294 Caracas ECONOMIA HOY in Spanish 29 Sep 94 p 3

[FBIS Translated Text] President Rafael Caldera has decreed the creation of a temporary presidential commission to draft a sustainable development program for southern Venezuela, which will include the states of Amazonas, Apure, Bolivar, and Delta Amacuro.

Although he admits that during the current constitutional period several national organizations have carried out various development activities, Caldera believes that unless coordination is centralized it will be impossible to define priorities.

Another point made by the president is that, since 1958, southern Venezuela, which comprises half of the nation's territory, has been subject to development programs that basically respond to guidelines that do not necessarily end with each constitutional period.

The new commission will only be active for 60 days, beginning today, and at the end of this time frame the panel must submit a draft program for approval by the executive branch, which will also receive help from other decentralized government institutions.

Congress Sessions End

After being informed by the presidents of both chambers of Congress of the end of the special sessions, Caldera admitted there is a growing awareness among members of Congress about the nation's serious situation.

He described the fact that members of Congress gave up their traditional "vacations" and summoned special sessions during the break between the first and second congressional sessions as an important contribution in helping stabilize the country.

Caldera said restoring constitutional guarantees, which hinges on prior approval under the terms of the Financial Emergency Law, will be a topic of approval in the near future, because Venezuelan society upholds the need of this suspension to reestablish and stabilize the economy. [sentence as published]

He strongly recommended that special attention be paid to the constitutional reform process, and, with this goal in mind, he presented the draft reforms compiled by the bicameral commission over which he presided. He said the draft has been received with satisfaction by all sectors, not only at home, but also abroad.

Caldera noted that the constitutional reforms will be subjected to a referendum. Therefore, he insisted the reforms must reflect the people's desires.

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Oil Chamber President Praises Corrales Plan

PA3009231394 Caracas EL UNIVERSAL in Spanish 27 Sep 94 p 2-5

[FBIS Translated Text] According to Engineer Miguel Bocco, president of the Venezuelan Oil Chamber, the presentation of the so-called Corrales Plan or PERE [Economic Recovery and Stabilization Program, Programa de Estabilizacion y Recuperacion Economica] is a stable framework for the country's recovery. It also provides important support for an opening in oil trade by means of strategic, high-risk agreements.

Engineer Bocco says that, first of all, the plan has the virtue of not focusing on balancing expenses by increasing revenues through the devaluation of the bolivar or through an increase in taxes, bearing in mind that every time taxes are increased, the treasury's additional revenues decline. That is because when companies have to pay higher taxes, their earnings decline and therefore they pay less tax, and the treasury's expectations are not entirely met.

According to Bocco, the PERE also takes into account the fact that a tax increase reduces the people's purchasing power because goods and services produced in the country become more expensive. This has two separate affects. First, it affects the ability of Venezuelan consumers to purchase those goods and services, and second, since these goods and services are more expensive, it reduces their competitive edge in foreign markets.

Another aspect mentioned by Bocco is that the Corrales Plan takes into account the social problem stemming from the drop in the people's purchasing power. The plan also includes certain compensatory procedures for the increase in costs resulting from the additional taxes.

Regarding the problems of Venezuela's foremost sector, he points out the plan's decision to increase fuel prices until the social problems stemming from the elimination of the oil subsidy have been solved. Bocco also considers an increase in Venezuela's oil revenues to be fundamental as a result of the opening of the industry to the private sector according to the strategic, high-risk agreements that will create a great deal of activity on the supply side of the industry.

Bocco added that the plan also proposes the healthy transfer of state-owned companies to the private sector. In this regard, we believe that the privatization of those companies in which the state owns a majority of shares should be programmed, especially when one considers that this involves a large number of finance companies and companies in other diverse activities which have become property of the state as a result of the banking crisis.

Bocco believes it is indispensable to establish a timetable for privatizations, which should be carried out as quickly as possible. He also believes that it is advisable to order the studies necessary to carry out the privatization of each state-owned company included in this project.

Regarding bids for the building of public projects and infrastructure, Bocco says one should take into consideration that the preparation of an offer for the execution of a program of infrastructure projects requires, as a first step, the implementation of related projects. This forces the companies interested in bidding to make a considerable investment of between 1 and 2 percent of the total cost of the project, which represents an investment of millions of dollars.

Finally, as a representative of the private sector of the oil industry in Venezuela, Miguel Bocco suggests two solutions to the problems set forth: first, awarding contracts through a selection process based on competing credentials, together with a discussion of the conditions of the contract between the granter and the contractor who is the most qualified and desirable for the negotiation in which the contractor is asked to invest in a relevant study after being chosen as the top bidder; and second, the contracting of an initial study beforehand and the distribution of the preliminary plan, which can be used to establish cost and conditions, to the bidders.

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